

THE NATION'S BUSINESS

August

1922

To Tame an American Nile

By HERBERT HOOVER

Government Ownership in Canada

By J. L. PAYNE

Good Will as a Railroad Asset

By C. H. MARKHAM

The Best Trade Story I Know

By FREDERICK SIMPICH

What Ship Owners Are Up Against

By ROBERT DOLLAR

The Museum, a Factory Annex

New Styles in Bond Holders

Dog Houses and Dormers

The Try-Out Towns of Trade

Getting the Heart into the Job

25 Cents





Smoke—Moisture—Gases—Fumes —What do They do to Your Buildings?

Destructive as all these elements are to many building materials—they are harmless if your buildings have roofs and siding of Robertson Process Metal (RPM). For the sheet steel core of RPM is encased in a triple-protective coating of (1) Asphalt (2) Asbestos felt and (3) Waterproofing. It is rendered completely and permanently immune to the corrosive action of smoke, moisture, gases, fumes—all the elements of deterioration which attack industrial buildings.

Buildings covered with RPM are equipped for a long life of service without requiring painting or repairs. Upkeep expense is eliminated—a feature that is especially appreciated by executives who are taking advantage of every possible opportunity to reduce operating expense.

Under present reduced prices, RPM is within easy reach of buyers whose programs of economy demand consideration of first costs alone. And, so far as ultimate economy is concerned, it would be difficult to find a building material which can compare with RPM. For the original cost of this Robertson Product—which is its only cost—is spread over such a long life of service that its "cost per year" is remarkably low.

A sample of RPM will be sent on request together with prices and complete descriptive literature.

H. H. ROBERTSON COMPANY, Pittsburgh, Pa.

Branch Offices in all Principal Cities

For Canada: H. H. Robertson Co., Limited, Sarnia. General Sales Agents for Canada: B. & S. H. Thompson & Co., Limited, Montreal, Toronto, Winnipeg, New Glasgow, N. S., and Vancouver, B. C.

ROBERTSON PROCESS METAL



THE long runway connected with the coaling station of the Erie Railroad at Salamanca, N. Y., (illustrated above) is completely covered with RPM. As the picture shows, this structure is constantly exposed to the destructive influence of smoke, steam and fumes. But it is under just such conditions that RPM renders its most valuable service.

The largest operators in almost every industrial field have found profit in the use of RPM and have expressed their satisfaction by repeated use. For example, the Pennsylvania R. R. has placed 85 orders since 1908; United States Steel Corporation, 272 orders since 1908; Standard Oil Company and Subsidiaries, 100 orders since 1912; General Chemical Co., 111 orders since 1909, etc.

ROBERTSON PROCESS METAL

FOR PERMANENT ROOFS, SIDING AND TRIM

TRADE MARK REG. U.S. PAT. OFF.

TRUSCON

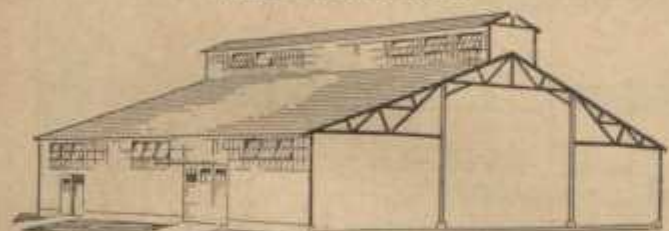
STANDARD BUILDINGS



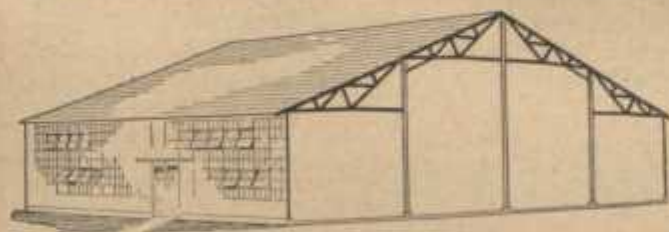
TYPE 1 (Clear Span)
Widths—8'-12'-16'-20'-24'-28'-32'-40'-48'-50'-60'-68'



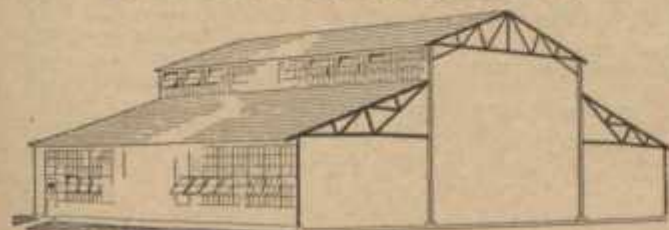
TYPE 2 (2 Bays) with Canopy
Widths—40'-48'-50'-56'-60'



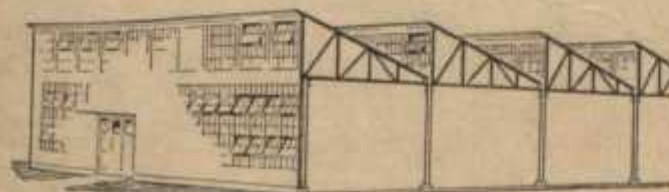
TYPE 3 (3 Bays) with Lantern
Widths—56'-60'-64'-68'-72'-76'-80'-84'-88'-96'-98'-106'-108'-116'



TYPE 4 (4 Bays)
Widths—80'-100'-112' (4 Bays @ 20-25 or 28)



TYPE 3M (Monitor)
Widths—60'-64'-68'-72'-76'-80'-84'-88'-90'-96'-98'-100'-106'-108'-116'



SAWTOOTH TYPE
Widths—Any Multiple of 28'-0"

Length of buildings: Any multiple of 2'-0".
Height of side walls: 8'-0" to 21'-4".
Types shown can be combined or varied.
Lanterns, canopies and lean-tos can be added.
Any desired arrangement of doors and windows.

All Types and Sizes

The accompanying sectional perspectives show only a few typical arrangements of Truscon Standard Buildings. They are built up of interchangeable steel units which can be combined in any way so as to meet exactly your individual need. You thus can get a building of any width, length or height with clear span or multiple bays, with pitched, monitor, lantern or saw-tooth roof with canopy or lean-to if desired. You can get any arrangement in size of windows or doors. The standardization of units makes possible a very low cost for your building, yet you get an individual building to suit your exact needs.

Built entirely of steel, including doors, windows, etc., there is nothing about these buildings that can burn. Walls and roof are made of Truscon alloy steel insuring utmost permanence. Truscon Standard Buildings can be readily enlarged or dismantled or re-erected in a new location with 100% salvage value.

For this reason 10,000,000 sq. ft. of floor area of Truscon Standard Buildings are now in successful use for factories, warehouses, foundries, shops, cafeterias, offices, garages, service stations and many other purposes.

Write for Details

If you are planning to build learn how Truscon Standard Buildings can serve your needs. Return coupon or write us for suggestions, catalogue and prices.

TRUSCON STEEL COMPANY

YOUNGSTOWN, OHIO • BRANCHES AND SALES OFFICES IN INDUSTRIAL CITIES

Send useful building book and suggestions on building to be used for _____.

Type _____ ft. long, _____ ft. wide, _____ ft. high.

Name _____

Address _____ Dept. NB8



Coffee—in *Container Club Fibre*

COFFEE, tea and spice go into cartons and cans, and all kinds of cartons and cans go into Container Club Fibre—as naturally as hands go into gloves!

Every executive officer not now using Container Club Fibre for boxing his product, should invite one of our Members to go with him into his packing-room. He should then ask our Member what he would do to save him some money.

Perhaps your problem is simple. If it is, the answer is easy. If it's complex—his engineer will design, for almost any commodity, a fibre box to perfectly meet every shipping requirement. It will carry your product unharmed—and do it for less money. It is certain that

Container Club Fibre **Saves!**

It saves cash over wood at the start

It saves nine-tenths of your packing-room space

It saves contents from damage in transit

It saves delay and annoyance

It saves freight costs for your customer

It saves your customer—FOR YOU!

This is a frank invitation from any and every one of our Members to be called into conference by you on that very important but too often neglected function of business—your *packing*. It costs you nothing to know. It's our business and pleasure to answer and SERVE.



Quality Mark

Address:

The Container Club
Dept. A3, 608 South Dearborn Street, Chicago

[Note: The Container Club is an Association of manufacturers—builders of CORRUGATED and SOLID fibre containers of very superior quality. Their individual plants—some forty in number—are located from Massachusetts to California]

BUILT IN 30 WORKING-DAYS



Austin No. 2 Standard. Normal width 90 ft. Length, any multiple of 20 ft.

Why Wait Six Months?

You can have 40,000 sq. feet of building like that shown above ready for useful occupancy in 30 working days. And you can have this delivery guaranteed on a \$100 a day penalty and bonus contract. Why wait six months?

You can also gain competitive advantages in your production operations, put your capital investment to work several months earlier than usual, avoid all of the delays, extra supervision costs, responsibilities and annoyances that surround the average long drawn out building operation.

And you will have a building suited to your needs. It will be a permanent substantial structure. Read the following brief specifications:

Excavation and Grading for standard foundations and floors. Based on normal site and conditions.

Concrete Foundations—Depth 4 feet below floors. Concrete floors 5 inches thick.

Brick Side Walls.

Roller Steel Side Wall Sash, Truscon, Fenestra, Lupton or equal.

Mechanical Sash Operators, for monitor sash.

Concrete Window Sills.

Structural Steel Frame, center aisle columns punched for crane columns and girders.

Roof Structure, structural steel I-beams, yellow pine purlins and roof sheathing.

Roof Waterproofing, 4 ply built-up composition roofing.



Austin No. 2 Standard showing one example of the many styles of architectural treatment.



Cross Section Austin No. 2 Standard.

A contract for an Austin No. 10F Standard Building was recently received from Buenos Aires, Argentine Republic. Austin examples will be found in many other foreign countries.

Austin engineers can deliver many other types of buildings in an equally short time or assume complete responsibility for the equipment as well as the engineering and construction work. Under the Austin Method you

buy your buildings the way you buy your machinery—you buy a definite type of known value.

Consultation with Austin engineers involves no obligation. Phone, wire or use the coupon.

THE AUSTIN COMPANY, Engineers and Builders, Cleveland
CHICAGO DETROIT PITTSBURGH PHILADELPHIA NEW YORK DALLAS ST. LOUIS
SEATTLE BIRMINGHAM THE AUSTIN COMPANY OF CALIFORNIA, LOS ANGELES

AUSTIN

ENGINEERING BUILDING EQUIPMENT



Plant of the Kreyer Motors Co., Stockton, California, built by The Austin Company. Another Austin Standard No. 2 type.

THE AUSTIN COMPANY, Cleveland
We contemplate the erection of the following buildings at the locations indicated and would be pleased to have you send a copy of the new edition of "The Austin Book of Buildings".

Firm
Individual
Address

N.B. 8-22

Consultation

indicated

and would be pleased to have you send a copy of the new edition of "The Austin Book of Buildings".

Firm

Individual

Address



Hotels Statler

Buffalo - Cleveland - Detroit - St. Louis

A new Hotel Statler (1100 rooms, 1100 baths) is now building at Buffalo—to open early in 1923; 500 additional rooms will be added later.

It Begins with the Room-Clerk

By E. M. STATLER—being one of a series of ads embodying instructions to Statler employees.

GOOD personal service, in any first-class hotel, begins on the sidewalk—with the carriage man or doorman. But the most important person in the hotel, to an arriving guest, is the room-clerk.

So we insist, in these hotels, that it isn't enough for the room-clerk to be merely "courteous"—courteous as a matter of form. The fact that he is constantly welcoming people, hundreds of them every day, shouldn't make his welcome to you any less real. He's there, really, to be helpful to the people who come to us; if

he isn't helpful—and good-natured in his helpfulness—he's a poor room-clerk.

We can't afford to have poor room-clerks or uninterested room-clerks, in these good hotels.

You can see, by the attached instructions, that we consider the room-clerk an important man in our organization. And we believe that you will have no trouble in doing business with him, pleasantly and satisfactorily, whenever you come to us.

Instructions to Room-Clerks

"In the first place, you have to take seriously and literally every word of instructions in The Statler Service Codes.

"You have to remember that you are never doing a man a favor in selling him a room. I have seen room-clerks who looked listless, or superior, or patronizing—grunting acknowledgments dictating terms, working grudgingly. But I want to say that nobody can do that in our hotels and stay on the job.

"You won't always have just what a man asks for at just the moment he asks for it, of course. Those are the very times when it is easy for the

wrong kind of room-clerk to give a customer the idea that he has what's wanted, but won't sell it because he prefers to sell something else. Watch, particularly and especially, the way you handle people who want the kind of rooms on which you are overbold. I know, and you know, that the traveling public gets a square deal at our room desks, but it is quite easy—dead easy—for you to give the customer an idea that he isn't getting a square deal. All he has to judge by, you see, is your interest in his request. Watch yourself.

"If people find it difficult or unpleasant to do business at the room desk, that's a sure sign of a poor room-clerk.

"Think of the men and women who come to you as being your guests, in your house. They're invited to come here, you know, and they have every right to expect a courteous and cordial interest in their wants.

"If you can't meet and care for people in this spirit, if you can't or won't be courteous and helpful and gracious and pleasant at every step of your work—and with your fellow employees as well as with our guests—don't try to be a room-clerk here."

Emstatler



Hotel

Pennsylvania

Opp. Pennsylvania Terminal, New York. *The Largest Hotel in the World*

Through the Editor's Spectacles

ETERNALLY debated is the question of whether a college education is or is not an advantage in a business career. Perhaps there is no answer. Perhaps the individual who is headed for business success will get there with or without. Perhaps it depends entirely on the man, that a college course may be excess baggage to one and usable equipment to another. Perhaps there's a need of definition. When we say "advantage" do we mean only pocketbook advantage or something wider?

But the question comes up again, this time in a concrete form, from Charles W. Chase, president of the Gary Street Railway, who writes to *The Nation's Business*:

It has occurred to me that you might be in the best position to throw some light upon a question which has been debated by many business men without a satisfactory general result being obtained. I refer to the question of whether a general college education known as a Liberal Arts course is of advantage to young men in a general business career. I recently read an article in the *New York Times* stating the very affirmative answer of President Rea of the Pennsylvania Railroad to this question.

Just at present our Rotary Club in Gary is actively taking up the work of assisting our high-school graduates in their desire to obtain such additional preparation for their business life on the theory that it is a distinct advantage to the young man.

Might it not be advantageous and beneficial for *The Nation's Business* to conduct a questionnaire of the business executives reached by it with a view to determining a consensus in this matter?

To conduct a questionnaire of the readers of this magazine would be an expensive task and one of uncertain value, but we should welcome an expression of opinion from our readers and in particular from executives who have had experience in hiring men who have and have not been in college.

SINCE THE days when prices started soaring, people have spoken darkly of the "profiteering middleman." From the loose language that has been used upon the subject many people must have got the idea that the "middleman" was a sinister individual who sat beside the trade routes and helped himself to a generous profit without doing any useful work to justify his existence.

We note with considerable satisfaction that our efforts toward dispelling such opinions are bearing fruit. One of the "letters to the editor" that convinces us of this comes from William B. Griffin, advertising manager of the International Silver Company, Bridgeport, Conn. He says:

Allow me to express my appreciation of the fine article you published in the June issue of *The Nation's Business*, entitled "It's Distribution that Costs."

I feel that this article will do a great deal towards getting business men to think of this vital subject.

Advertising men have realized for some time that marketing costs have got to be reduced, and that we need a more intensive selling effort.

Such articles as this are a credit to your publication.

In this connection, we call attention to the article on "Why Distribution Costs" in the July number, by Irving J. Paull, secretary of the Commission of which Congressman Anderson was chairman.

25 Cents a Copy

\$3.00 a Year

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Vol. 10

THE NATION'S BUSINESS

No. 9

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As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber. But in all other respects, the Chamber is not responsible for the contents of the article or for the opinion to which expression is given.

O. P. Hopkins, Assistant Director of the Bureau of Foreign and Domestic Commerce, sends us a card which Julian Arnold, American Commercial Attache, is circulating in China. It is addressed to "Business Men Visiting China." We reprint it below with the idea that the information may be of value to any of our readers whose vacations may carry them to the Orient this summer:

American business men visiting China are invited to make use of the services and facilities of the China organization of the United States Department of Commerce, with offices at Peking and Shanghai. The department's publications pertaining to China, especially its "Commercial Hand-book of China," were compiled to assist those interested in Chinese-American trade. These can be secured at the Shanghai office in the Robert Dollar Building, No. 3 Canton Road.

IN ONE of our lighter moments we commented on the fact that President Obregon of Mexico had issued a decree exempting from export duties "insects of commercial

value." Our good friend, the *Weekly News Bulletin* of the American Chamber of Commerce, Mexico City, reprints our observations on insects as international commerce and says:

Mexico sells, although in very small quantities, to the United States, bees, silkworms, cochineal insects and dried flies.

We think that this should be called to the attention of Congress while the tariff bill is being framed. From personal observation and from statistics on the birth rate of flies we have become convinced that there are enough 100 per cent American flies to supply the domestic market.

THE RECENT mine troubles in Illinois and West Virginia give an added interest to a suggestion made by Dr. James A. McCollam, of Urichville, Ohio. Dr. McCollam says:

I am a practicing physician and have associated with the medical fraternity and have heard some of the opinions of current events

Good Business

Good business is a business paying adequate wages and earning adequate profits. Many whims find their way into business, and then good business finds its way out.

Today the big business problem, and the problem of big business is, "KEEPING THE CUSTOMER SOLD." A mighty good way, a tried and proven way, to keep customers sold is to give them a discount—an extra appreciation for their trade.

One of the best systems by which this discount can be paid is by means of the **Z.N. Green Trading Stamp**.

The service rendered by **THE SPERRY & HUTCHINSON CO.** insures the consumer's interest; it brings the customer back; it increases a merchant's cash trade; it builds good-will.

The filling of **Z.N. Green Stamp** books by millions of housewives is tangible evidence that this form of discount continues to hold the endorsement of the most frugal and discerning of buyers—the American woman.

Holding the approval of the American woman is also "Good Business."

THE SPERRY & HUTCHINSON CO.
114 Fifth Avenue New York

from that view; it is also my privilege to be a member of the Council of the Ohio Federation of Churches, and so permitted to get the viewpoint of some of the ministers of the churches.

We understand that the laboring men as a rule who read, read the labor papers and journals; and it is right that they should, so if the laboring men of this country are being misled in any way it is not their fault. They should read what they are reading, and have a right to believe it.

The professional men who consider the moral and philanthropic side of the labor question see that the government agency that is supposed to be the authority says that a certain amount is the least that will support a family, and of course think that every man has a right to that much income. If this is true, then from the viewpoint of the minister or philanthropist, it was unjust for the R. R. Labor Board to fix a wage for any man under that amount.

I am acquainted with a large number of railroad men and coal miners and many of them are honest men who have been deceived or misled, and I believe that it is unjust to crush such men into submission as must be done under the present plan.

Many fine men, good citizens, are bitter toward the employers because they know nothing about conditions in the United States and the world except what they read. They of course think of their employers as "Trying to tramp them down into the mud," etc., and naturally feel rebellious. I believe that many of them feel that their condition is "worse than the slaves of '60-'61."

I do not believe that the railroad men about here want to strike, but what can they do? Nobody is saying anything to them except the propaganda, "The Slave Drivers are saying to You, Take this Pittance, or go Starve," and calling on them to "show their manhood."

I do not think it would be beneath the dignity of any employers to talk candidly with the working men, and if the matter were discussed in the public press from this other point of view, I believe it would do good.

IT IS with regret that we run in this issue the last of the articles by Captain Robert Dollar of San Francisco. We have received many letters commenting on them and they have even found their way into public documents. The Minority Report of the House Committee on the Ship Subsidy contains the following:

Robert Dollar, the owner of the Dollar Steamship Lines in a recent article in *The Nation's Business*, frankly states:

"I have always felt that a ship owner who must have 'pay' from the Government does not deserve to be in the business. We do not need any other advantage over the other fellows; we can take care of ourselves."

IN THE June number of *The Nation's Business* we ran an article on "Sizing Up the Borrower" by Albert N. Hogg. Glenwood Macomber of Minneapolis, Minn., read it and, taking his pen in hand, gave us a report of his own experiences with a banker which does not agree with the Hogg article to any appreciable degree. Mr. Macomber says:

The gods of finance surely must have been dumbfounded when the gentleman spoken of in a recent article in *The Nation's Business* sauntered in and calmly demanded a loan of \$200,000; but the ease with which he ran their guard lines and slipped away with the money is what amazes me. They must have let him in with just merely a password and a receipt showing his dues were paid. The next gentleman, as the article stated, only wanted \$100,000 and they gave him first degree just to

Why Pay More?

When you can procure this No. 1724 four drawer, flat top, paneled side, oak

Weir

**Letter \$20
File for \$20**

This new **Weir** 1700 Line is made in 2, 3, and 4 drawer heights in Letter and Cap widths in Golden or Natural Oak, Birch Mahogany at 10% extra. Send for our catalog of Filing Equipment, Filing Supplies and Sectional Bookcases booklet "Filing Suggestions" and name of your nearest **Weir** dealer.

NOTE—Prices noted in this ad apply in North Central and Eastern States. Consistently low in South and West.



Sectional Card Index Cabinets

Are the logical answer to an expanding card index system in 3x5, 4x6, 5x8 and 6x9 card sizes. Our catalog gives complete information.



\$22

Stack illustrated consists of one 3x5 Top and three 3x5 Bottom sections and Leg Base. Price in Plain Oak, \$22.00. Price for 4x6 combination, \$26.25. 5x8 combination, \$30.50. 6x9 combination, \$34.75. Quartered Oak and Birch Mahogany trifle higher.

Weir Utility Cabinets

For holding letter or legal cap papers, also made strong enough to use as an electro file. No. 214 with drawers, Golden or Natural Oak, \$8.00. No. 418 without drawers, \$5.50. Birch Mahogany trifle higher.

Weir Stationery Cabinets

Are money earners because they are Stationery savers. Compartments for Letter, Cap and Note Size papers, long and short \$6.50 envelopes and drawer for carbon paper, etc. Also made without cover—trifle lower in price. Golden or Natural Oak or Birch Mahogany.



**No. 5
\$4.50**

A Swinging Stand

Attached to your desk provides additional workable space. Better than slide in desk for holding stenographer's note book while taking dictation.

No. 5—Black metal \$4.50; No. 6—Oxidized Copper \$5.00; No. 7—Nickel Plated \$5.00. The 14x18 inch tops in Golden, Natural or Weathered Oak or Birch Mahogany finishes.

The Weir Manufacturing Co.

82 Union Street, Monroe, Mich.
New York Office, 52 Park Place

Another Hockenbury Success!



The New Hotel,
Tacoma, Wash.

Tacoma HAD a Hotel Problem

They wearied of hearing their city maligned, these live-wire chaps of Tacoma, Washington, because of inadequate hotel conditions, and here's what they did:

They consulted the Hotel Financialists of the Hockenbury System Incorporated, who went to Tacoma, organized and directed a community hotel stock-selling program. One Million Dollars was needed. \$1,017,000 in stock was sold in a one week's effort!

Of course, Tacoma is pleased. Particularly the live-wire progressives of the city! Write 'em if you don't think so!

Other cities having hotel problems would do well to write us for "Financing Your City's New Hotel." It tells how hotel problems have been solved in other cities—and how they can be solved in yours!

The Hockenbury System Inc.
Penn-Harris Trust Bldg., Harrisburg, Penna.

assure themselves that he was legally qualified to handle that small amount. The third gentleman, only wanting a mere \$5,000, was put through two degrees before being handed the roll of bills and told that lodge was over.

Those boys got off with exceeding ease. I just wish—as one might say—you could have seen them put on third degree one beautiful day when I brazenly, brashly and utterly without shame, walked in among the gods sitting in judgment among mountains of money and with unsurpassed coolness of nerve asked for a loan of two hundred dollars.

The president of the largest bank in town—resources sixty-four millions; or is it sixty-four billions?—I forget—anyhow, the president stepped nimbly down from the pile of gold that served him in lieu of a throne and greeted me with all the enthusiasm with which the morning sunshine greets the rose, for, as I was duly bedecked, unctuously anointed with Havana Perfecto and was wearing a new forty-watt necktie, he did not know—what he did not know was this: that I might own the rest of the world that he did not own.

I told him I wanted to borrow two hundred dollars. I had some difficulty in making him understand what it was I wanted. He had never heard of such a small amount. Finally it dawned upon the lonely watcher in the mountains of gold that what I wanted was dollars and not millions. Then the clouds began to gather.

Lightning flashes of doubt and suspicion seemed to play about the towering peak of Old Baldy. The frigid line of eternal snow, spreading quickly from point to point, overspread his countenance with the fierce severity of an Arctic winter. Not for long, though, did the ice age last for, after all, business is business, and as the Venerable Mountaineer of the mountains of money rose from the pile of gold he was sitting on to light a match on the non-skid part of his trousers, he had an idea. Then from out through the blue smoke ring of a dollar seegar Old Guardian's voice was asking me if I could give security. Sure. Security was the watchword. I was told, that would pass one through the portals into the bulging money vault and that with the proper security one could obtain accommodation for one's needs no matter how small the amount.

I went forth treading on eggshells as one transfigured, for had I not walked among the gods of finance and come out unscathed? I was vibrant with joy for I knew what I always did know—that if I only had a couple of millionaires to sign my note for ninety days I could walk into any bank in town and they would shovel my wagon full to overflowing with all the money I could haul away!

LAST month we referred to a letter from a subscriber who thought the magazine needed "less trimmings," and we invited our other readers to express opinions on the matter. One of our friends who came back with a prompt and definite answer was W. B. Connor whose letter-head bears the inscription "W. B. Connor, Inc., Merchant Engineers, New York." Mr. Connor says:

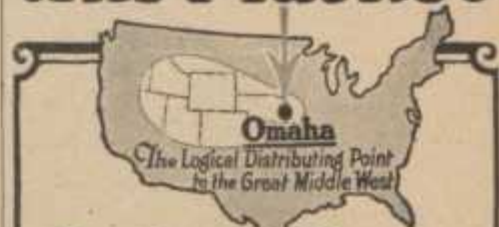
By all means continue the trimmings.

The writer forgets just how he originally came to subscribe for *THE NATION'S BUSINESS*. However, he has always thoroughly enjoyed it and as "the proof of the pudding is in the eating of it," we yesterday mailed a two years' subscription.

Thus fortified we have continued the trimmings. In fact there are more trimmings this month than usual. We put them in deliberately because this magazine comes out at the peak of the hot weather and we do not believe our readers want to be served heavier articles about hopeless crises and problems that cry for solution.

M.T.

Investigate this Market



Purchasing Power highest per Capita

"Examine labor conditions in various sections and locate future factories in towns where per capita production is at a maximum."

—says Roger Babson.

Per capita manufacturing in Omaha is \$1,708—sixth in the United States.
Per capita wholesaling in Omaha is \$1,907—fifth in the United States.

Manufacturing	(1921)	\$327,024,061
Wholesaling	(1921)	\$346,270,323

Omaha dominates the trade of 3,500,000 people in the heart of the richest agricultural region in America.

Let us help you investigate your trade opportunities in Omaha.
Ask for sales analysis No. 75.

Omaha Chamber of Commerce

Omaha

"The Nation's Fourth Railroad Center"



Favored by Worker and Employer

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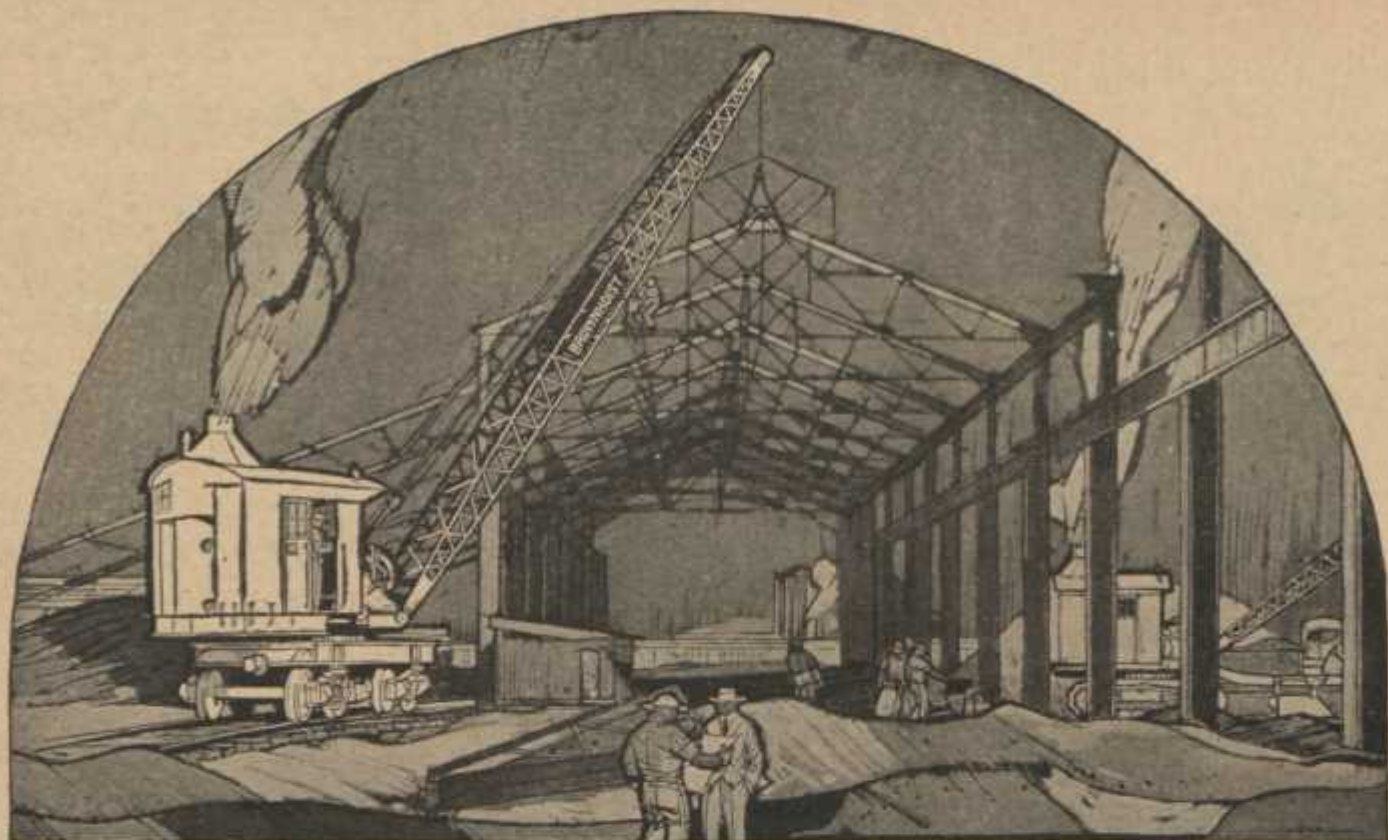
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Conquering an American Nile

By HERBERT HOOVER

Chairman of the Colorado River Interstate Commission

As told to Theodore M. Knappen

THE CONTROL of the Colorado River for power, flood prevention and irrigation is an intensely interesting problem that now absorbs public interest in the southwest, and is destined to become in the near future one of the fondest objects of national interest and pride of achievement. As it is a virgin problem in national development, it can be handled, if we are wise, without our usual massacre of resources and results. It involves the development of 4,000,000 acres of land with bottomless soil (as much farm land as the State of Maryland) and at least 5,000,000 horsepower.

It is a problem of the legal right to water, of political control and engineering capacity and technic. It is unique in all of these phases—so much so that we have an interstate commission with a national chairman actually trying to work out a treaty between seven states and the Federal Government—and it is having about as much trouble to agree as the Genoa conference had. It raises the old question of states' rights in new and disconcerting form, for the states or their citizens claim primarily to own the water of the river, but the United States is also involved in ownership because of the contiguous public domain; and the Federal Government is interested because of its authority over navigable streams and because of the international course of the river and the fact that the Federal Government is called upon to furnish the money for development and protection from floods.

The most pressing of the engineering problems involved in the subjugation of this

strange river, which flows in one part of its course through abysmal depths and then debouches into the sea on the top of a ridge, is the control of the annual freshets, not only from the point of view of storage for irrigation, but from the point of view of safety to the people of the lower river. The Imperial Valley and the Arizona irrigation districts are under great danger at the present time—in fact, 30,000 acres of cultivated land in the Palo Verde district of Arizona are now under several feet of swirling water, and the river may burrow a new channel through them. It becomes vital that the control of the freshets shall be established.

Almost at any moment the Imperial Valley, with its 50,000 people and marvelous agricultural wealth, lying below the river and between it and the Salton Sea (the latter being about 250 feet lower than the Gulf of California) may be drowned out by the breaking of the river into that depression. It will be recalled that that very thing happened in 1905-6 and that it required a heroic effort to reconfine the river. So imminent has the danger become to the valley that the people in that area are now having difficulty in obtaining mortgage and other loans to carry on their business.

The lower basin of the river—in Arizona and California—can use and is now ready to use more water than the river delivers at low stages. Also, it has so much water at high stages that it becomes a menace. On the other hand, the upper basin—in Colo-

rado, Utah, Wyoming and Nevada—is the principal source of the water, and its people look upon it as being somewhat in the nature of their property. There is now no storage upon the river, and the water right question would be much eased by storage of the spring freshets and the larger flow of some years. States' rights ideas are mixed up with conflicting doctrines regarding the individual ownership of water. The old common law



doctrine of water ownership or use is based on the theory of riparian rights, which holds that the owner of the bank of the stream owns also to the middle and that no one has any right to reduce the volume of flow past his river frontage. This is the water law of the eastern states, but it has been modified or superseded in the arid western states by the doctrine of "prior appropriation for beneficial use," according to which he who first makes beneficial use of water from a stream has the first right regardless of where the diverted water is applied. This theory of water law is generally recognized throughout the valley of the Colorado, except that California partly retains the theory of riparian rights. As between litigants residing within the same state the principle has for some time been recognized.

However, the doctrine of prior use was never fully interpreted by the courts where interstate owners are involved until the recent Supreme Court decision in the case of Colorado vs. Wyoming, which has considerably advanced the whole conception of interstate water rights because it definitely establishes interstate rights to water according to priority of beneficial use, as between states that recognize that doctrine internally. Nevertheless the comprehensive treatment of an interstate stream raises delicate questions between the affected states of the division of benefits and property values arising from its water.

The irrigators in the upper regions of the Colorado will ultimately divert the water and reduce the flow in other states in the lower regions, at the same time that the lowlanders want more water for the plow land they now have under ditch and still more for about a million acres additional. Then there is the complication of using the river for hydro-electric power. The complete use for irrigation will somewhat reduce the maximum power. Irrigation should have the preference. Obviously the first stage of solution is, on the engineering side, to store the surplus water flowing from the upper basin during the spring freshet for use in the lower basin. But before this expensive project is undertaken the people in the lower basin need to know not only that they will have an abundance of water but that they will have a legal title to it. The people of the upper basin need to know that use below will not establish an estoppel upon their diversions above. Land titles in hot and arid regions are not much good if they are not supported by water rights. Until there is an agreement all around as to titles, the whole development will be throttled.

That is the purpose of the Interstate Commission. It has come to no conclusion as yet, but the theme that seems to meet

with more general approval than any other is that each state should proceed with its development up to the absorption of a certain number of acre-feet per annum, leaving a considerable residue of the river unappropriated. Then, it is proposed, they would meet again at some future time, twenty-five or fifty years hence, and discuss what would be done with the remainder, thus giving an ample period to work out the relative participation of the different states, based on the relative amount of land which they could bring into irrigation.

There is general agreement that a gigantic storage dam shall be built probably at Boulder Canyon (or its continuation, Black Canyon) and that it should be built by the Federal Government. This dam will serve several purposes: first, control of the flood waters, and thus remove the grave menace of Imperial Valley; second, increase in irrigation supply; third, relieve the strain upon title questions; fourth, supply large volume of power. It is necessary, however, to establish some rule regarding the states' rights to participate in the various water benefits. Until the interested states agree on a *modus operandi*, if not finally, nothing is likely to be done. It is earnestly hoped that when the commission reassembles at Santa Fe in August, it will be possible to draft a working formula. Potentially there are 6,000,000 horsepower to be developed along the river, and about 5,000,000 acres of irrigable land over and above the 3,000,000 now watered. The Boulder dam will cost from \$40,000,000

to \$50,000,000. My offhand impression is that when we have developed, by additional dams, all the land that can be developed by the river—two hundred years hence—we will have spent \$400,000,000 altogether. So far as storage for irrigation is concerned, another dam, at Glen Canyon, will not be required for a century; though both might be required for power purposes much sooner.

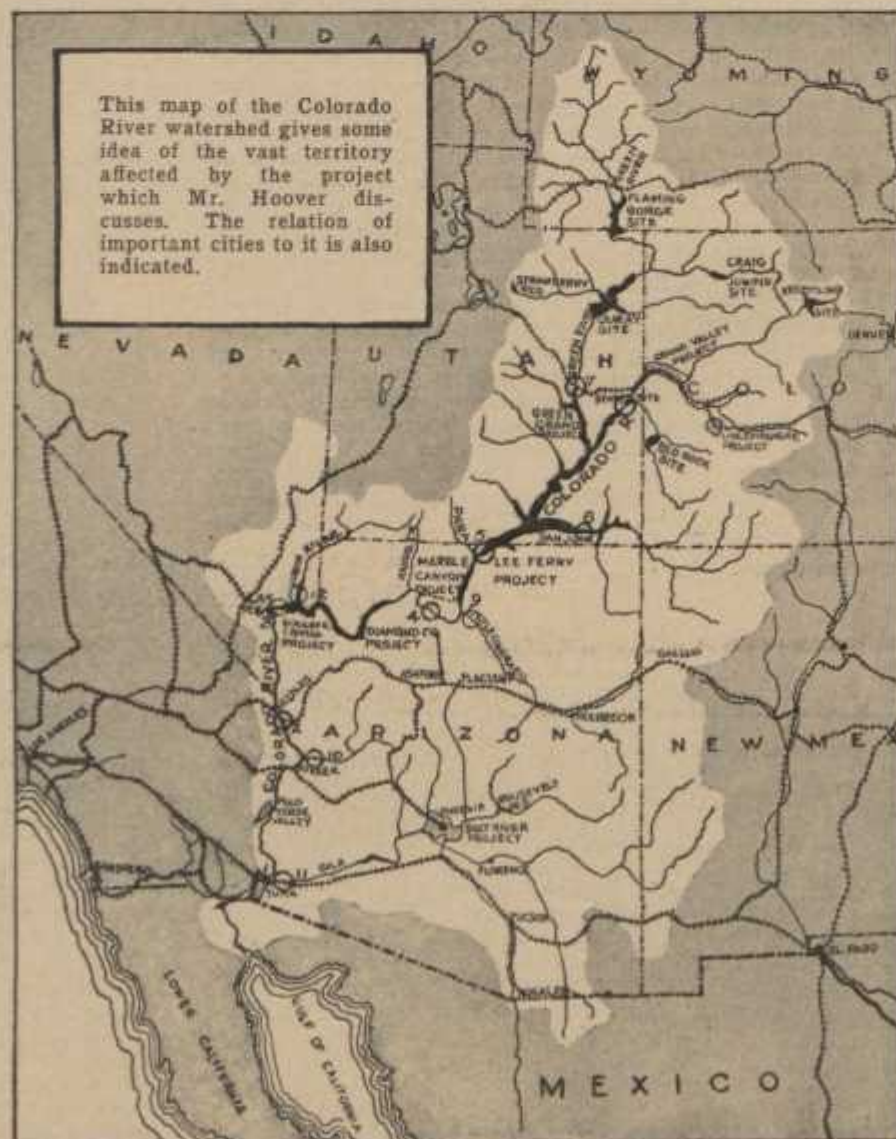
While the Government has an obligation in respect to flood control that is independent of the question of ultimate reimbursement for the construction of the Boulder dam, it might, if the power market comes up to expectations, make a profit from the whole transaction on power alone, so that there would be no charges on account of the dam against the benefited lands. This dam will be for all time a source of income to the Government, and beyond that it will have created new homes for many citizens and will have protected many thousands of them that are now in danger.

There are three or four groups interested in the allocation of the five or six hundred thousand horsepower to be developed at Boulder Canyon, including the corporation of the city of Los Angeles. It is one of the most contentious parts of the whole controversy, but it is not vitally necessary to determine now what will be done with the power. It will take ten years to complete the dam. While 200,000 horsepower could be used today, there may be a demand for a million by then.

While it is true that the Federal Power Commission is temporarily withholding action on private applications for power development that might not mesh with a properly considered national plan for the development of the potentialities of the river, which mean so much to the southwest, it is my impression that the future demand for power will be so great that it will far exceed that which will be supplied by this particular development. Power utilization at Flaming Gorge, Dewey Gorge and Glen Canyon will not interfere with the full supply of water for the Boulder dam. There will be ample water to fill reservoirs at all these points.

From an engineering standpoint whatever is done now should be with a view ahead for 200 years. A large dam in the lower canyons is only the first step in the general utilization of the water resources of the Colorado. Above it will be other dams for power and for irrigation. The river carries much silt, and this will fill the dams one by one, but some two centuries can now be provided for in this matter.

The actual engineering job is a ticklish and enormous one. The Boulder canyon dam ultimately will be twice as high as



any existing dam and will hold back more water than any other, making a lake over 50 miles long. It will even the flow between 5,000 second-feet at low water and 250,000 feet at the spring freshet, and it will help even the flow between 9,000,000 acre-feet in dry years and 25,000,000 in wet years. It will require nearly two years' flow of the river to fill the lake to its high level.

It should be understood that irrigation is more than building a dam, but the commission is not concerned with the physical problems of applying the stored water. Personally, I think that there should be an all-American canal from the Colorado into the Imperial Valley. There are many reasons why the United States should be independent of Mexico in the distribution of the waters of the river. At the present moment the Imperial Valley is dependent on the canal through Mexican territory, which means that constant concessions must be given to Mexico in respect to these waters. The commission has not discussed the water rights of Mexico in the Colorado River. I have as-

sumed that whatever rights Mexico may have will be amply satisfied by the residue of the flow after everybody else is finished.

Viewed as a national question the Colorado River project is also a thorny one. To the southwest the addition of another 4,000,000 acres or more of productive land in the lower basin is an unqualified boon. Under irrigation in that climate the inexhaustible soil grows crops throughout the year. The land is, in the main, used for intensive cultivation and will support a very large population. In time there will be a corresponding tributary population, but at first there will be a large surplus of production over local needs. Your eastern or middle western farmer doesn't want any more competition at home just now, and he is likely to think the Federal Government should not be the agency of increasing agricultural production when there appears to be already too much to permit profitable returns.

From the national welfare viewpoint, however, it would seem to be good policy to provide new homes on the land so long as we can and the people want them. I am

told that former service men to the number of 100,000 stand ready to take farms on the Government's easy payment plan for the cost of development—if they could be provided. Also, the chances are that the production and consumption of foodstuffs in this country will, ere long, be so close together that we shall be put to it to find enough food without importing it. It is sound national policy to maintain a balance between agricultural producing and consuming populations. When any nation finds it necessary to choose between the two, it must choose agriculture or run great risks.

Perhaps the feature of the Colorado River proposal with the strongest appeal to the popular imagination is that it embodies an effort to apply a definite program, conceived solely in the public interest, of rational public control and allocation of benefits to one of the greatest unappropriated natural assets of the nation. Instead of leaving them to grab-bag distribution, as with most of our resources hitherto, it is proposed to plan the Colorado River for the public and to plan it without foolish plunder or foolish socialism.

Getting the Heart into the Job

By J. E. KAVANAGH

Third Vice-President, Metropolitan Life Insurance Company

EVERY man or woman who works has three marketable assets—brain power, muscle power, and good will. He can put his head, his arm and his heart on the job. Ordinarily when an employer bids for his services, the price fixed covers only the worker's brain and his brawn. His goodwill is either taken for granted or left out of consideration.

In the days of small business enterprises the good will of the employee was held through personal contact with the employer. As a general rule all worked together and addressed each other by their first names. But with the coming of "Big Business" this close personal touch became an impossibility and was lost. Gradually the relationship between employer and employee assumed a different aspect until today many workers feel that the business that gives them employment is something almost entirely outside themselves. Indeed, some of them feel that there exists a controversy between themselves and their employer as to which shall get the better of the other. The goodwill factor has been neglected and is in urgent need of cultivation.

The most intimate thing in a man's life is his love for his family. If this can be tied up with his work-a-day life, a big step will have been taken in the direction that tends towards greater labor stability and greater individual efficiency. Group Life Insurance is a direct means to this end. It is protection for the worker's wife and children through the business that gives him his daily bread. The psychologist probably would describe it as a matter of connecting up the brain centers that function during his working hours with those that come into use when he thinks of his home and family.

The insurance laws stipulate that a Group Life Insurance Policy must cover the employees of one employer. The beneficiaries are named by the employer and almost always are wives, children or other close relatives or dependents. The insurance becomes payable either in event of the death of the insured employee, or in event of total and

permanent incapacity incurred before the age of sixty. Group Life Insurance has no connection with, and in no way affects, Workmen's Compensation Insurance.

The law also provides that the employer may not arbitrarily place such amounts of insurance as he chooses on individual employees. There must be a definite prearranged schedule. Usually this is based on length of service, beginning with a minimum of, say, \$1,000 for less than one year's service and increasing \$100 for each additional year of service until a maximum of, say, \$3,000, is reached for the man with twenty years' service. In computing initial amounts past service is recognized. Such a schedule serves to keep always before the worker the value of faithful and continuous service. It rewards the faithfulness he has already shown and holds out an incentive for future loyalty.

Automatic Protection

ALTHOUGH the foregoing, known as the "Length of Service" schedule, is the most popular in use, some firms insure their employees on a "Salary" schedule; that is, the employees receive Group Insurance in an amount equaling their annual salary. Some other firms place a flat amount of insurance on all employees or else on classes of employees. For instance, they may give a certain class of employees \$1,000; foremen, \$2,000, and department managers, department heads, etc., \$3,000.

It is simple automatic insurance protection issued without medical examination. This means that the employer may protect a substantial ratio of his employees (approximately 15 per cent who cannot buy insurance for themselves as individuals at any cost because of inability to pass physical examinations or because of age). It is sound economics. In fact, the blanket nature of the low-cost, wholesale contract enables an employer to give protection to his employees at a premium representing perhaps 35 per cent or 40 per cent of what the cost would be to the employees as individuals in the open market. Usually the entire premiums

are paid by the employer, and even a generous schedule of insurance benefits almost always costs less than one-half cent per hour per insured employee. In some cases the premiums are paid jointly by the employer and employee, in which instance at least 75 per cent of the eligible employees must, under the insurance laws, agree to contribute.

A master Group Life Insurance policy is given to the employer, and each insured employee is furnished with an attractive certificate guaranteeing his privileges and benefits under the master policy. These certificates go promptly into the homes of the employees and are there naturally treasured as evidence of the interest of the employer in both the worker and his family. One important employer of labor has aptly named such certificates his "fireside allies."

A fact of outstanding significance is that Group Life Insurance as an institution withstood the acid test of the recent period of depression. There is in force in this country at the present time approximately two billions of this form of insurance, a tremendous aggregate when one considers that the insurance companies have been offering this form of coverage for only a relatively few years.

Throughout the depression, thousands of far-sighted employers have continued their Group Life Insurance investments, not only because they have seen among their employees a tendency toward more loyalty, more contentment, more cooperation, more production, and less absenteeism, less labor turnover and less operating expense—not only for these reasons, but also because the attitude of the employees of any given institution is easily one of the strongest factors in determining public opinion toward that institution. The public knows the institution through the employees with whom it comes in constant contact. As a man is known by the company he keeps, so is the company known by the men it keeps.

There have been several important outgrowths of the Group Life Insurance idea.

A similar blanket policy is being issued for protection against loss of time due to sickness or accident; mortgaged homes are being protected for employees through low-priced insurance; a Group Pension Contract will provide employers with the simplest, most flexible pension plan that has probably yet been devised. The sound economics of doing business by wholesale is as evident in the insurance business as in any other line.

Of late years we have heard a great deal about standardizing and efficiency. Routing of work has been brought to an exact science. Time clocks and checking devices of various kinds have been invented to eliminate the evils of waste, carelessness, tardiness, etc. But in spite of all the efficiency and mechanical experts, the great fact remains that the laboring classes are in many places as dissatisfied as ever, and there is still an annual loss caused by this dissatisfaction possibly sufficient to more than take care of the debt incurred by this country as a result of the Great War.

The lesson that manufacturers and employers in general are beginning to take to heart from all this is that you cannot compel a man to be faithful; you cannot systematize him into being 100 per cent economical; you cannot force him to stay steadily, honestly and efficiently on the job. Human nature rebels against being made part of a machine, no matter how efficient that machine may be. The greatest corporation in the world is composed of exactly the same kind of human beings that comprise the six-man crew of the little fishing boat, making its trips to the Banks after cod and herring, and they must work wholeheartedly together.

Certainly improved machinery and efficient management in and out of the shop are going to continue to develop, but the real economy of the future—the kind that will carry an organization to the highest success—is the kind that comes from a heartfelt desire on the part of each individual to do his level best for the firm that employs him. Such a feeling is inspired only through confidence and good-will. It manifests itself only when the worker's heart is in sympathy with his arm and his head.

Experience has demonstrated to the large insurance companies that the return on the employer's group insurance investment is di-

rectly dependent on the extent to which the employees are brought to understand Group Insurance and appreciate its benefits. To accomplish this purpose, at least one important insurance company has evolved over the years a comprehensive program of service which it renders its group policy-holders and their employees without added cost whatsoever in addition to the usual premium. Some of the outstanding features of this service program are as follows:

Keeping the Employee Fit

A VISITING Nursing Service available to sick employees who reside within the limits of some 2,800 nursing districts. The nurse, who must be a trained graduate, upon request from either the employer or the employee, goes promptly into the home, cooperates with the attending physician, renders the necessary bedside care while present, trains the members of the household in the proper method of caring for the patient between calls, and keeps the employer informed as to the patient's progress and condition. This nursing service is proving exceedingly popular with both employer and employees and is regarded by the employee and his family as evidence of the fact that the employer "really has a heart." Moreover, the economics of the situation are that the employee comes back to work sooner and much more fit, both physically and mentally, to do his share of production.

Another important adjunct to Group Insurance is a Health Literature Service, the object of which is the prevention and cure of disease in the homes of employees through education in the simple and practical rules of health. This object is accomplished by means of a systematic supply of simply written, well-illustrated, authoritative pamphlets which go into the homes monthly or bimonthly. The results of such a campaign are better health, less absenteeism and a regular systematic reminder, in the home, of the Group Insurance program and of the employer's interest in his employees.

Then there is a Sales Service, of which the primary object is to "sell the group idea" thoroughly to the employees after the employer has provided the protection. This campaign is carried on through posters for plant and office display; through printed announcements of the plan; through meetings where certificates are distributed; through assistance in forming employees' benefit associations when

desired; through preparation of publicity for local papers; through write-ups of death claims; through pay envelope inserts and human interest stories in house organs.

To the employer without modern Group Insurance experience it might seem a little far-fetched to assert that Group Insurance can be made to serve as the connecting link between the worker's home and business. In reality, however, this connection is a simple matter of enlisting the employee's heart with his head and his arm, thus putting the whole man on the job. Experience proves that Group Insurance does tend and does serve to do just that. In announcing what is perhaps the most comprehensive insurance plan ever effected on any considerable body of working men, President L. F. Loree, of the Delaware & Hudson Railroad, said: "This insurance is prompted by the desire and intention of the company to insure continued employment under conditions as favorable as may be provided, to promote greater ease in the discharge of employment by freeing as far as possible from anxiety, and to secure and maintain the most highly successful operation of the property which is possible only through interested cooperation." In other words, possible only when the whole man is on the job.

When former Postmaster General Will Hays undertook to "humanize" the postal department, he said, "Somehow, somewhere the heart has been lost out of the postal service. We have the arm and the head, but no heart. It shall be our purpose to put the whole man on the job."

It is through consideration of the foregoing principles that most of the Group Insurance in force today has been effected. It has not been philanthropy nor altruism, but pure business. Far-sighted business men have seen that a good share of the responsibility for the industrial difficulties that yearly cost this country a staggering sum is due to lack of good-will and mutual confidence between employer and employee. And the loss is not alone in strikes and lockouts. Careless workmanship, absenteeism and tardiness, small dishonesties with respect to property and time—all contribute to the leakages that constitute a heavy expense item in the operation of many industrial organizations.

Complaints or Compliments?

By C. H. MARKHAM

President, Illinois Central Railroad

THE ONE THING that American railroads need most at this time is the good will of the public—good will conceived in a realization of the importance of adequate railway service to our business welfare and manifested in the support of measures which will strengthen the railroads and enable them to give efficient service. The public relations program which we have been carrying out on the Illinois Central System since the end of federal control has been a part of our effort to win the good will of our patrons. We have sought to inform our patrons upon railway subjects, especially matters relating to the Illinois Central System, and to win their confidence and support.

Those to whom the management of railway properties is entrusted are coming to pay a great deal of attention to public sentiment toward the railroads. I regard this as

one phase of the evolutionary process through which railway management is passing. The patrons of a railway system should be consulted frequently about its conduct, for only in that way will the railroad be able to serve them best. While the need for this close relationship between management and patron should be apparent in any business undertaking, it is true to a much greater degree of the railroads, which are virtually governed by agencies in which public opinion is the controlling force.

For some time we have been impressed with the belief that the growth of restrictions upon railway progress has largely been the product of a misinformed public opinion. The public has been fed upon half-truths about the railroads for so long, and those half-truths have been permitted to circulate unchallenged to such an extent, that public opinion has been greatly influenced

by them. We still find, in this enlightened time, people who cling to such false beliefs as these: that the railroads are vastly over-capitalized, that salaries paid railway officers are responsible for high freight rates and low wages of railway employees, that adequate freight rates have a devastating effect upon the current of business, that railway earnings are guaranteed by the Government, and so on—not one of which has any foundation in fact.

Our first problem, therefore, was to present facts about the railroads, and especially about our railroad, to our patrons in such a way as to convince them of the trustworthiness of our management and of the importance of the service rendered by our property. We have done that principally through newspaper advertising. On the first of each month a statement prepared under my direction and bearing my name is

published as an advertisement in each of the 500 newspapers located on our lines. Many of the newspaper men have cooperated with us by commenting upon these facts editorially, by using them in the news columns of their papers, and by encouraging wholesome discussion of railway topics among their readers.

We believe that a business cannot be conducted successfully unless the executives, who are responsible to the owners for the conduct of the property, are in close touch with what their patrons are thinking and saying about their business. Under the usual method of organization it is difficult for a railway president to get an accurate idea of how well satisfied patrons are with the railroad. Most subordinate officers and employees are greatly interested in seeing to it that their superior officers hear the good things which patrons say about the phase of the business entrusted to them, but they are not so diligent in reporting the but they are not so diligent in reporting the uncomplimentary things. That is human nature. In a railway organization—and what is true of a railroad in that respect is true of any large business—there is no ordinary channel through which complaints can reach the executives. We felt it highly necessary to overcome the situation and establish a channel through which complaints about the Illinois Central System could reach myself and the other executives.

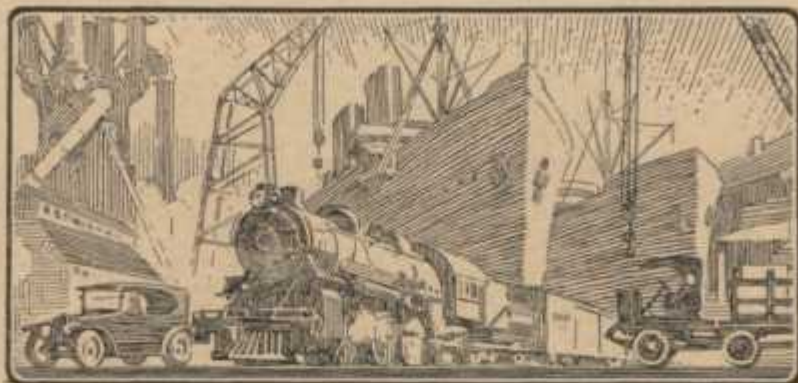
We found a channel which fitted in well with the general program we had in mind. Each statement we have made through the newspapers has been concluded with the words, "Constructive criticism and suggestions are invited." Not only that, but we have repeated our invitation for the constructive criticism and suggestions of our patrons upon every occasion and in every way that has occurred to us. We want patrons of our railroad to know that we are striving to render a service of complete satisfaction to them and that we are eager to avail ourselves of their counsel and to profit by their complaints.

How to Stop Complaints

AS OUR program has continued, our officers and employees generally have come to realize that the only way to prevent complaints about the service from coming in is to render a service of such complete satisfaction that there will be no complaints. Frankly, that is what our whole organization is striving to do, and the way the plan has worked may be judged from the fact that complaints have now practically ceased to come in. Whereas we at first received many complaints, we now receive many complimentary letters.

The critical letters that we have received have been handled promptly and thoroughly, either by myself or under my direction. I have given a great deal of my time personally to this phase of our work, as have also our other executive officers. The receipt of an uncomplimentary letter is a matter which in our organization calls for a thorough investigation and, if possible, a correction of the situation that caused the letter to be written. In each case the complainant is courteously thanked for his kindness in calling the matter to our attention, and, where our investigation has developed something that needs correction, we have corrected it and he has been informed that his suggestion has been complied with. The complaints we have received have covered practically every

branch of the diversified service which a modern railroad gives. A number of our critics, as might be expected, have complained of matters which cannot or should not be changed. That calls for an even greater display of tact in handling the case. Often we have found it well to have one of



our officers call upon such a complainant and explain the matter fully to him; sometimes this explanation has been given in the form of a letter. Whichever method is used, we have taken pains to let our correspondent know that his communication is appreciated, for we believe that when any individual who has a grievance against us thinks enough of us to bring the matter to our attention he is a potential friend.

One of the most beneficial results of the closer contact we have had with our patrons since adopting our program of asking for their criticism has been the opportunity to correct or explain practices which our patrons objected to. A seasoned railway man can learn a great deal about operating a railroad to the satisfaction of its patrons by getting their viewpoint. He will learn, for example, that the prompt settlement of meritorious claims is a factor of great importance in building up the public's good will, that the adjustment of some small feature in the passenger service, often at little or no cost to the railroad, will make many friends for the railroad, and so on. The railway man may know already about these things—he will know about them if he is on the job—but he ordinarily looks at such matters from another angle, and we believe it is helpful to him and to his property for him to get the viewpoint of the patrons, and to seek to profit by it.

On the other hand, there are instances when an explanation will settle a point which might cause friction if not attended to. One example of this is in the matter of building new stations. Every ambitious community wants its station facilities to rival those of other towns, and communities will often demand the building of new station facilities without considering the burden which they are proposing to place upon the railroad. The same thing is true of grade crossing elimination. Communities which demand the separation of grades at crossings can usually be shown, we believe, the unfairness of their demands for preferred consideration over neighboring communities, and the impossibility, from a financial standpoint, of making this improvement for all communities.

It takes a great deal of confidence in a large railway organization for its executives to issue a public invitation for criticism and suggestions, but the confidence they display in doing so helps to inspire the confidence of patrons. Patrons will naturally believe that if the organization is considered by its executives as worthy of such confidence they can safely rely upon it themselves.

Satisfied patrons are among the greatest assets a railroad can have. The railroads are ruled, in the last analysis, by those they serve, and if they serve their patrons well they have laid the foundation for a relationship between managements and patrons which will go a long way toward solving their problems. On the other hand, if their patrons are displeased with the service the railroads give them the foundation has been laid for a hostile public sentiment which will take years of patient and assiduous cultivation to overcome.

We believe in the widest possible dissemination of information which will show what the railroads are doing to solve the problems they are facing, for the good will of the public must be born of confidence in the railroads and their managements.

In complying with the request of the editor of *The Nation's Business* to give an outline of our method of promoting the good will of our patrons, it is not my intention to suggest that our plan is the best one. Other railroads have been making progress in the same direction, and many of them are finding means of solving the problem which is common to all of us. The good results which they are obtaining might well be studied with profit by business managements generally.

Pity the Russian Railroad Official!

RAILROADS and their capacity for rendering transportation service are a pretty good index of the economic condition of a country. This is shown by reports about Russian railroads.

In 1914 the percentage of Russian locomotives fit to perform duty was 85. In the spring of 1922 it had fallen to 33. This means that, with practically the same mileage of railroads in use, the number of serviceable locomotives per 100 miles had decreased from 41 to 14.

There is the same story about cars. The figures at hand go back only to 1920. In that year 20 per cent of Russia's 442,000 cars were unfit for use. In the following two years this percentage has risen to a point over 40. In 1916 the average daily car-loadings was 35,900; in the early part of 1922 it was under 9,000. The actual weight of freight carried by the railroads in 1921 was one-sixth of the weight in 1913.

That the uphill road toward rehabilitation is much more difficult than the easy descent into disorganization is illustrated by complaints of the Russian official in charge of repairing rolling stock. Recently, the works which make parts and provide supplies have been placed upon a business basis, operating as private industries. They now demand cash for their wares. The distraught official, without anything at his disposal except the worthless product of the printing press, and representing a government to which even these Russian concerns will extend no credit, sees his repair parts lying at the factories and his cars on sidings waiting for them.

This is only the beginning of his troubles, however. In February of this year, railroad employees had not yet received their pay for November. Possibly the employees were too far gone in hopelessness to bother much about back pay; their wage for November was fixed at 165,000 rubles. In the good old days, such a wage would have been a fortune, of about \$84,000. In February, 1922, however, it was equivalent exactly to 8 pounds of rye bread!



Round House
Boss

Some Studies of Railroad Men

HERE are the most striking photographs of American workers that we have ever seen. They were taken by Lewis W. Hine, who has devoted years to the study and portraiture of labor types.

We have confined the group to railroad men because the strike has centered the attention of the country upon the workers employed by our transportation system.

THE EDITOR



Shop
Mechanic





Slav
Track-
walker



Veteran
Brakeman



At the Throttle



An
Old Conductor

Walter
Heldman

A Try at Government Ownership

By J. L. PAYNE

Former Comptroller of Statistics, Canadian Department of Railways and Canals

HOW HAS it come about that Canada has 22,114 miles, or more than 56 per cent of all her railway mileage, and representing a capital liability of over \$2,000,000,000, under public ownership? What have been the results of this venture? These questions go to the core of the whole matter, but they cannot be answered by a few general statements. Short of at least basic facts, the reader would be both misled and confused. It is therefore necessary to trace with some care the history of events.

It might very naturally be assumed that because Canada, at the birth of Confederation in 1864, had undertaken to build and operate a railway connecting the Maritime and Upper Provinces, she had been led by the success of that experiment to adopt nationalization on a large scale.

What took place nearly sixty years ago had, however, nothing whatever to do with later events. The Intercolonial was not constructed to demonstrate the principle of public ownership, nor was it ever a successful railway. It was brought into existence as an integral part of the pact of Confederation. It is crystallized into the British North America Act, which is the written constitution of the Dominion. So hopeless was the prospect of finding a corporation to build the road through the unsettled country which then lay between the Atlantic provinces and the Province of Quebec, that the thing was not even tried.

The Intercolonial was necessarily and essentially a political railway, and as such it was always operated at a loss; but it served very well its original purpose as a cementing agent, and the people were indifferent to the financial aspect. Because of its character, it was always a football in the play of politics, although it provided a good transportation service.

Public ownership came about in Canada through the collapse of the Canadian Northern in 1914, and the Grand Trunk Pacific two years later. The former was begun in a very small way by Messrs. Mackenzie & Mann about 1897. By 1903, through construction and the acquirement of lines already built, it had come to be a system of nearly a thousand miles. By 1914 it had a mileage of 9,400. In what took place within that relatively short space of time, is to be found the genesis of Canada's very serious railway problem and the history of nationalization. The Grand Trunk Pacific, an ambitious offspring of the pioneer Grand Trunk, was started in 1903; so that the expansion of the Canadian Northern and the construction of its rival proceeded contemporaneously.

In 1903 the Dominion was railway mad. There is no other word that describes the state of the public mind. The Canadian Pacific had been completed in 1886 and had opened up the prairie provinces of the west. Settlement followed steadily, and there was abounding prosperity. Canadians looked

What Has Canada to Teach Us?

THE former Premier of Canada, Rt. Hon. Arthur Meighen, made the remark that upon the successful operation of Canadian national roads during 1922 depended the future of public ownership of railways throughout the American continent.—*Press Dispatch from Quebec.*

Mr. Meighen may be right—or wrong. But what he said set us to asking: What is the state of Canada's government-owned railways? Here is the answer, prepared by J. L. Payne, former Comptroller of Statistics in the Canadian Department of Railways and Canals.

It is a startling story—all the more startling, perhaps, because it is told not by rhetoric but by figures. This plain account of how Canada stumbled into the morass of government ownership and of what that misstep has cost her has a lesson for everyone on this side the border.

THE EDITOR

across the line and saw what had happened in the western states through the providing of transportation facilities, and they concluded that the destiny and rapid development of the country was wrapped up in unlimited railway building. It is not remembered that at that hectic period a single voice was raised in warning that the thing might be overdone. The conviction was undoubtedly general that we could not have too many railways, particularly in the west, and that we could not build them too rapidly.

Thus it happened that the Canadian Northern was expanded with feverish haste, and at the same time the Grand Trunk Pacific was pushed into the same territory. It is here necessary to offer some explanation about this latter road. When the Canadian Pacific had been established as a strong and successful system, the Grand Trunk felt the need of direct connection with the great wheat-producing plains of the west. Ample encouragement in the way of financial aid was given by government.

At first the Grand Trunk had no notion of penetrating beyond Alberta; but about that time Messrs. Mackenzie and Mann had a dream of throwing their exceedingly loosely constructed, badly planned and scattered sections into something which might ultimately take on the character of a transcontinental system to rival the Canadian Pacific.

The daring of this notion stimulated popular interest. But if two lines from ocean to ocean would mean proportionate prosperity, why not three? To a people insensible to fear, unheeding the voice of prudence, this new concept appealed strongly. So the plans of the Grand Trunk Pacific were enlarged. It was to extend from Winnipeg to the Pacific coast, and government undertook to construct the eastern division, 1,800 miles in length, as a contribution toward this third transcontinental road.

When the government section, known as the National Transcontinental, was finished, the Grand Trunk Pacific declined to take it over, although the terms offered were peculiarly favorable. The cost of its own line from Winnipeg to the Pacific had greatly exceeded the primary estimates, and by that time it probably realized it was engaged in a losing venture. Therefore the National Transcontinental did not pass out of the possession of government. It was built throughout almost its entire length in undeveloped territory, and on its own traffic resources had no chance whatever of earning either operating expenses or fixed charges. It was nevertheless linked up with the old Intercolonial and put to such service as was practicable. It cost nearly \$100,000 per mile.

Thus in 1914 the Canadian Northern had 9,400 miles of line in operation or approaching completion. The Grand Trunk Pacific was finished and also in operation. The National Transcontinental was being operated by government. That was the situation when four months

prior to the outbreak of war, to the consternation of a people who believed all was going well and the way open for the prosperity they had regarded as inevitable, Messrs. Mackenzie & Mann appeared before the authorities at Ottawa with the announcement that unless they were at once given \$60,000,000 from the public treasury they would have to suspend.

The First False Step

AHASTY and superficial investigation showed this to be true, and they got the money. The entire enterprise was a mere shell, lacking every essential that could make a railway sound and permanently successful. It had been constructed in a make-shift way, was inadequately equipped, poorly organized in nearly every department, with an exceedingly low traffic density, and hopelessly insolvent. It appeared very soon thereafter that the Grand Trunk Pacific, while built up to a better standard in every way, was also bankrupt. So government took over the whole mess, after carrying these two roads along for three or four years, and set up the present national system in 1918.

At this point two things need to be made very plain. In the first place, it will quite naturally be said that this was the failure of corporate ownership and that nationalization was the logical and unavoidable remedy. The fundamental truth about the Canadian railway situation will be wholly missed while that view obtains.

These roads merely bore the label of private control. Between them they had in 1914 a capitalization of about \$750,000,000, and less than 15 per cent of that sum had been provided on their own resources. The remainder was obtained on public credit. To an uninformed outsider that may seem incredible, but it is literally true. The Dominion and the Western Provinces provided

the money on guarantees, plus liberal cash subsidies, and in the case of the Canadian Northern, land grants.

It appears to have been taken for granted in 1903 that a new and wonderful way had been found to build railways without costing anything to anybody. The companies issued bonds, government endorsed them, and that was the end of the matter. The country got the roads, the purchasers of the bonds got their interest, and nobody had to pay. There came a day, however, when government found that it was in precisely the position of any other gullible and trusting endorser.

These two roads were really political in character. To everyone who was in close touch with what was in progress, it was well known that the construction of the last 5,000 miles of the Canadian Northern had more to do with votes to be won than with the transportation needs of the territory served. There was unquestionably the hope, in that period of excessive and unreasoning optimism, that settlement would be promoted and that at some time in the future there would be a sustaining traffic. But political expediency, rather than government ownership, was the controlling motive nevertheless.

Had these roads been compelled to finance their construction on their economic merits they could never have gone very far. As it was, their entrance into the western field created three parallels, some of them for hundreds of miles within a stone's throw of each other. There was but enough traffic for one, and the Canadian Pacific, well established and highly efficient, was easily able to hold nearly all that offered. This may seem like a prejudiced statement, but it is the indisputable truth, now all but universally accepted in Canada. How else could such a calamitous situation have been brought about?

The People Weren't Consulted

THE next thing which must be clearly understood is that the people of Canada did not deliberately, after digesting the merits of the case, adopt public ownership. They were not consulted about the matter. They were not asked at the time to express their judgment, nor have they been since. The war was on when the trouble began, and they were indifferent to everything else. Even Parliament did not get an opportunity to pass upon what was done by government. The electors were simply told that these roads had been cast at the door of government by reason of the guarantees, and that there was no alternative to their being taken over. This appeared to be true, and superficially was true.

It is now as clear as noonday, however, that if financial considerations alone had been permitted to control, it would have been better to have made an absolute gift of the two roads in question, with the National Transcontinental thrown in, to a strong syndicate, along with \$200,000,000 in cash also as a gift, and in that way to have got rid of the properties. At this moment the public treasury would be more than \$400,000,000 ahead on the transactions.

Public ownership tacitly began in 1914, but was not a definite and fixed policy until 1918. In the interim the roads concerned were carried along by advances of money from the Dominion treasury. Enormous advances have also been made since 1918. What have been the results of nationalization in Canada? is now the question which those who have read thus far will be disposed to ask. The editor has asked me to be concise, truthful and judicial. I shall obey by letting the official facts speak for themselves. Beginning with 1918

the announced deficits have been as follows:

1918	\$27,769,577
1919	47,993,112
1920	67,505,059
1921	56,673,934

The salient feature here is the cumulative character of the burden, since public ownership began. But even these huge losses are but part of the truth. The figures given do not include fixed charges on the National Transcontinental, the Intercolonial, the Prince Edward Island, the Hudson Bay, the Quebec Bridge nor the branch lines in the Maritime Provinces, making up about 4,500 miles of lines and covering a capitalization of nearly a billion dollars.

The reason for this is that government has an accounting system all its own. It utterly ignores interest on capital liability. Of course, it does not by that convenient and unsound method get rid of such a proper and genuine charge. If correct bookkeeping had been applied to the situation, it is within the mark to say that the deficits during the past two years would have averaged \$125,000,000.

The distressing story of deficits is not all. In order to pay operating shortages, fixed charges, bolster weak links in the system, provide needed equipment, standardize defectively built sections, and maintain the organization set up by government, the official records show that since 1914 over \$600,000,000 has been advanced from the Dominion treasury. This has added to fixed charges.

Thus it came about that in 1921, while operating loss was reduced by over \$19,000,000 as compared with the preceding year, interest charges on increased capital liability consumed nearly the whole of the saving. If accruals had been taken into account at the date of the statement it would have done so fully. For the current year the outlook is no less unfavorable.

Small Lines Bought In

WITH the establishment of a huge national system there followed the purchase of a number of independent small lines in the lower provinces. These little roads had lived a precarious life, nursed along with parental solicitude by the Intercolonial with which they connected, but had always managed to make one hand wash the other. Within two years after being taken over, government had spent on them a sum larger than their original capitalization, and showed a deficit twice the size of their total earnings prior to their being nationalized. The only explanation offered for this adverse change is, of course, unofficial, and might be summed up in the single word "votes."

Then came the absorption of the Grand Trunk, Canada's pioneer railway. The Grand Trunk was built wholly by British capital; but although administered by a Board of Directors in London, and having its operating headquarters in Montreal, it was more an American road than a Canadian. Its western terminus is at Chicago and its eastern at Portland, Maine. It has 2,000 miles of line in the United States. Seventy per cent of all its revenues are dependent on its American mileage and American affiliations.

Government argued that it was insolvent and was needed to make the public group a well-balanced system. The truth is that it had become involved solely because of its liabilities on account of its subsidiary, the Grand Trunk Pacific. It was the primary guarantor, and Government the secondary. It has little or nothing to contribute to the Canadian National that was not secured by an agreement entered into twenty-five years

ago, and by its incorporation with the public railways there is created another of those parallels which are so wasteful and unscientific in the west.

An extraordinary situation is, however, at once created by the expropriation of the Grand Trunk. The Canadian Government is now the owner and operator of a considerable mileage in the United States. That mileage competes with American mileage. Such competition was ignored when in corporate hands, and had a parallel in the ownership and operation of some twenty-odd American lines in Canada. But the matter takes on a different complexion under the conditions which now prevail. Delicate considerations of an international character are immediately suggested. Questions as to rights of eminent domain within a foreign country may at any moment arise. Indeed, they have already been raised in the press of Michigan and elsewhere.

Was It Efficient?

WHAT have been the results of public ownership in respect of efficiency? The facts in that regard are both ample and convincing. Under government administration, operating conditions, although bad to commence with, have unquestionably grown worse. The chief unit of the Canadian National group, the Canadian Northern, may be fairly compared with the Canadian Pacific. They are nearly the same as to mileage. They operate in the same territory and practically side by side. There is no reason why one should not receive as high an average of service per employee as the other. Yet while the Canadian Pacific in 1920 showed 222,495 ton and passenger miles per employee, the Canadian Northern had but 153,019. The Canadian Northern has a much better controlling grade than has the Canadian Pacific, yet the former had an average trainload of 357 tons in 1920; as compared with 529 by the latter. There was actually a considerable decline in this respect on the Government road as against the figures for years when the Canadian Northern was in corporate hands.

It would be utterly impossible to point to a single betterment in operating results under public ownership. One simple and easily understood fact will show why there has been such an adverse showing. Between 1918 and 1919, ton and passenger miles, which always represent the total service of any railway, fell off on the Canadian Pacific from 15,395,279,049 to 12,708,173,379. On the Canadian Northern the drop was from 4,516,544,184 to 4,014,384,482. This indicated a material shrinkage in traffic on both roads, and called for retrenchment. The Canadian Pacific met the reverse by cutting down its staff of employees by 2,596. The Canadian Northern met it by actually increasing its number of workers by 8,052, or 36.4 per cent.

Between 1917 and 1920 the volume of business on this state unit increased but 3.9 per cent; yet the number of employees was increased by 60.3. At the same time it got 35.1 per cent less service per employee. In fact, during the first two years of public ownership there was a decline of 43.3 per cent in efficiency by the ton and passenger mile test—than which no more satisfactory or just could be applied.

I have no disposition to argue here the broad question of public ownership as opposed to private ownership. I do wish to set forth frankly what has happened in Canada under the former policy. Four things, it might be said, have been established beyond cavil. We have (1) brought on ourselves an

economic problem of exceeding gravity; (2) very heavy losses have been incurred; (3) these losses must be met by increased taxation; and (4) no solution of our problem appears to be in sight that would be accepted by our Parliament as at present constituted.

In my personal judgment, matters are not likely to improve until there is a complete divorce from every trace of political administration. If that were to take place, and a body of skilled railway men put in charge, clothed with adequate power and independence, it is inevitable the present wasteful layout of the system would be recast. Several thousand miles of parallel trackage

would either be eliminated or turned into branch lines, the greatly overmanned staff would be reduced, efficiency would be substituted for inefficiency, and many other changes would be made. This would mean an absolute revolution; but only such a reversal of policy could give the system any hope of ultimately removing the burden which at presents rests on the shoulders of Canadian taxpayers.

Canada has a population of less than 9,000,000, and our national railways are now costing us over \$100,000,000 per annum. To make matters worse, the burden is unequally distributed. The west has the railway mileage, and Ontario and Quebec pay four-fifths

of the taxation. This may cause friction at any time. If the judgment of the whole people could be taken, no one may say what would be the result; for, as I have tried to make plain, this entire situation has been brought about in most undemocratic fashion. The electors were not consulted in the first instance, and they have not since had an opportunity to either approve or disapprove what was done by government. They have simply looked on passively, stunned by the magnitude of the figures involved, badly informed, but believing themselves to be helpless. And at this juncture it is simply a question of how long the country can stand the losses.

Dog Houses and Dormers

By W. H. HAM

General Manager, The Bridgeport Housing Company

SOME YEARS ago a friend of mine gave me a well-bred Boston terrier named Kelley. Being an aristocrat, Kelley required a house in which to live. This my friend also presented to me. This dog house had shingled roof and sides, with the usual moldings at the eaves, and a carefully detailed circular opening at the front; much too large for the dog but in good proportion with the remainder of the structure. If this dog house had been sawed on an angle of 38 degrees and placed on the roof of a story and a half house, and if the door had been fitted with a sash properly glazed, with curved top lights and small pane bottom lights, and if a strip of copper about 8 feet long had been added on each side, the result would have been a very attractive dormer.

The dog house probably cost \$18. The cheapest price I have heard recently for dormers is from \$100 to \$150, depending upon the detail. Why should a dormer be built stick by stick, each board being carried up a ladder, marked for sawing, taken to the ground, sawed, and then placed in position from a ladder or a scaffold built for the occasion?

The only answer I can offer is that the architects who design dormers (and the best architects design most interesting dormers) do not know in advance the exact sizes of the numerous parts that go to make up the dormer: frame, sheathing, shingles, gutters, moldings, window frame and finial.

I say the architect does not know these dimensions. Rather he knows them only approximately. He knows exactly what he wants from the standpoint of feeling, true proportions and that artistic touch which makes a dormer almost a signature of the architect himself. But he does not know how thick a piece of 2 by 4 is going to be. If this material comes from the district of Virginia, it is entirely different in thickness from that sawed in Michigan. One inch siding may be $\frac{3}{8}$ inch or it may be a full $\frac{1}{2}$ inch.

Window sash, if it is made locally, can be made at the architect's measure but commercial sash is a stock article, and if it is western stock it is either too large or too small for the eastern frame. Moldings are cut from certain "sizes" of lumber, but this "size" has no relation to the dimensions actually received. Anything is inch lumber from $\frac{3}{8}$ inch to a little over an inch. Shingles until very recently were sold by the thou-

sand—meaning about 600 shingles. A revision in the method of selling shingles undertaken by a large number of producers has eliminated this part of the difficulty.

Further, the architectural schools have never taught the student the precision of drawing which is fundamental in the engineering schools. Nor have they taught exact dimensioning and exactness in drawing. Neither have lumber manufacturers until very recently considered this important item as seriously as its importance deserved. The "dog-house dormer," therefore, has not in the past been a detailed dimensioned article which could be fabricated and shipped to the job ready for installation.

When it became the writer's privilege to influence the building of 624 dormers on the Seaside Village Development of the United States Housing Corporation project at Bridgeport, this question of wearing out ladder rungs and shoe leather to cut the miters on the ground and put them up piecemeal was discussed, first with the superintendent for the contracting firm, next with the foreman carpenter, and their answer was that it had never been done that way.

The mill man—there was a saw mill on this job—became enthusiastic about the making of dormers, bay windows and a good many other items on the saw table, framing them in the saw shed and delivering them by the lumber wagon to the various houses under construction. Possibly the feeling that the mill was liable to run out of work and he might lose his special job of running the saw and framing timbers was the reason for his interest in this dog-house dormer proposition.

At any rate, the first dormer thus fabricated showed the mill man and the carpenter foreman that a saving of 50 per cent could be made in labor alone. Another saving, which could not be computed, was in the use of short pieces of timber which accumulated around the mill. Thus after a few days the yard around the mill became piled up with dormers ready for installation. As a result of this success, bay window construction was taken to the mill.

There followed a series of fabrications at this mill which were applied to the buildings in later stages of the job. The framing of floor timbers around stair openings and many other places was carried out at the mill where short timber had accumulated.

The 50 per cent saved and the attractiveness resulting in the bedrooms of these houses

has made the writer continuously suggest the proposition of fabrication along with proper design for the workingman's house.

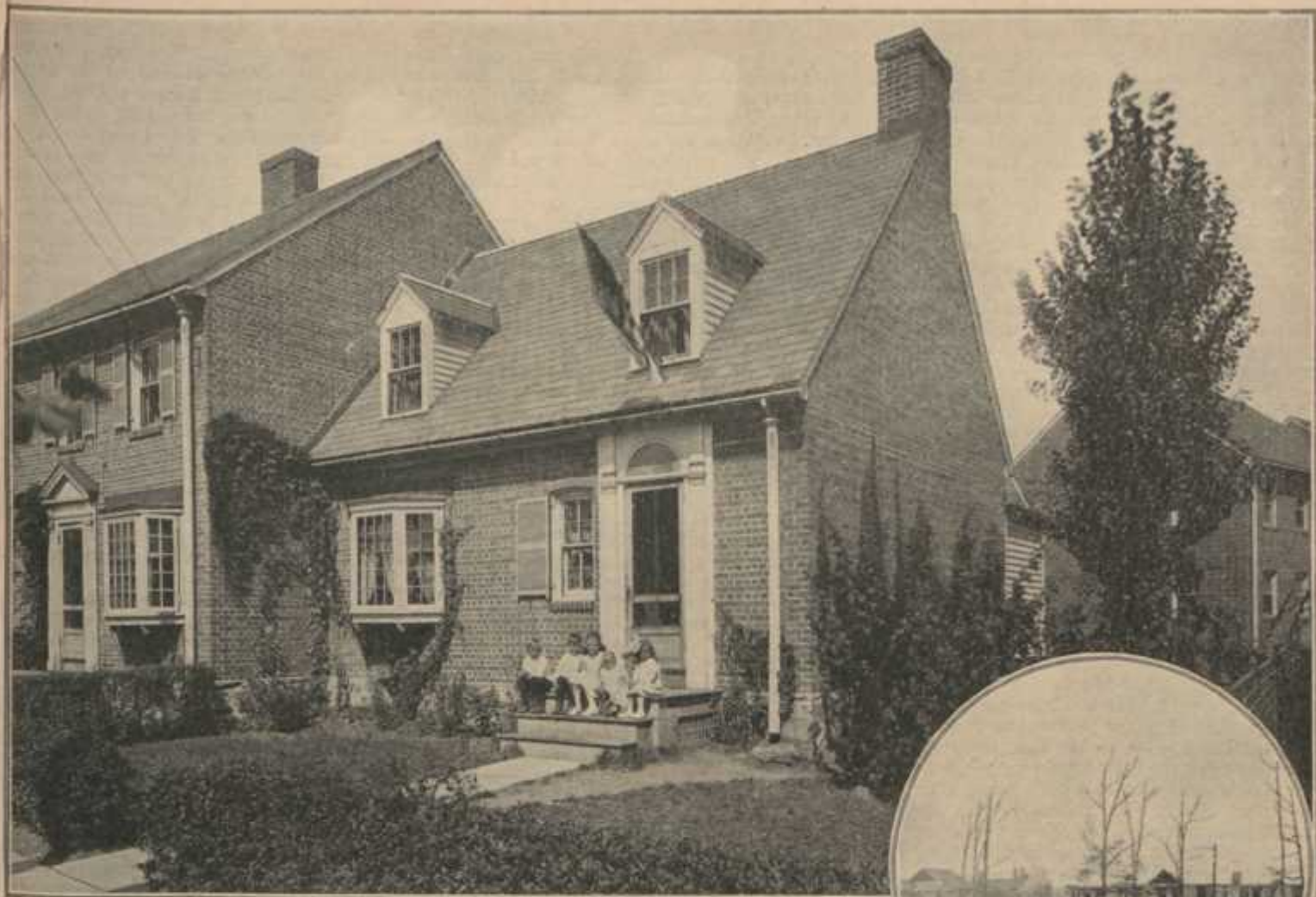
Turning from the home of little Kelley, the Boston terrier, to the home of the man who represent 80 per cent of the industrial family, bread-winner class, we find that in the great boom of building business now starting this home is receiving too little consideration. I am convinced that the only solution to this problem is the introduction of a multiplicity of fabricating-plants all over the country equipped to handle many items of material which are to be used in these buildings and so to establish the construction of the workingman's home that it becomes very largely a factory process and not a hand-wrought operation at all.

I am therefore going to outline some of the principal items which will yield very large savings in labor and materials through fabrication. Various parts of the country already use some or all of these methods pretty generally, but, as far as I have observed, no combination of them has ever been used. It is through the combination of these fabricated parts of buildings that economies will result.

Let us start first with the excavation of the cellar. Most workingmen's houses have four times the amount of cellar needed. Assume that we eliminate 50 per cent by leaving half of the area unexcavated, just as your great grandfather or mine did in building his home. This does two things: first, saves excavation; second, saves foundations, for even in our northern climates it is not necessary to go as deep for foundations without the cellar as it is with the cellar. Frost protection is from $3\frac{1}{2}$ to 5 feet, depending upon the climate and the kind of soil.

While the word "fabrication" is hardly applicable to cellar excavations, machinery should be used for removing the required cube of earth where rocks of large size are not encountered. Fortunately there are many machines now available which in type are suitable for small jobs of excavating. These machines are owned by coal men at practically every coal siding all the way from Texas to Maine.

But, unfortunately, coal men do no excavating. Excavating is still done by hand labor, the dirt being shoveled into carts for the first few feet down if it is to be removed entirely, or scraped out with horses or possibly a tractor and dumped, usually directly into the path over which all the building



Here's a workman's cottage in which were put into effect many of Mr. Ham's ideas of fabricating parts of buildings "off the job." And there is no loss of individuality and charm. In the circle are the set-up "dog houses" that became dormer windows at a large saving of time and money

materials must be carried. In most cases all of the dirt except the black loam on top should be carried away from the site and used to fill in low sites which may become the home for other workmen at a later date.

No workman should found his home on a rock, because it costs too much to excavate. The \$60 building lot which is located in a poor pasture which has been divided for sale to foreigners is the poorest investment in the long run if a house is to be built on it.

The excavating of cellars should all be done by machine in an organized way. If the house is a single cottage an organized method by a reputable excavating contractor should be made available even to the humblest aspirant for a home. The contact of these two—the humble aspirant and the efficient contractor—must be brought about if real economies are to be accomplished.

Excavation should be made by machine and should be immediately followed by a machine-made foundation, fabricated at a concrete foundry within trucking distance of the site. The material should be concrete of suitable thickness, the whole cast in hollow blocks of proper sizes, transported and set by the contractor who makes them. The general volume and weight of such a member of a building, a concrete hollow block 6 feet long by 7 feet 6 inches high, would be about the same volume as an upright piano in a box and would weigh approximately the same. It should be handled by a similar kind of truck and placed in position by equipment of

equal strength but somewhat different character.

I venture that two hours after the truck has started to deliver the large size, full height, interlocking blocks of cast hollow concrete the driver would be ready to proceed to the next job with the cellar wall completed and the first part of the home of the family completed.

I am sure we can make a tremendous saving by building these of fabricated, interlocking, hollow, large size blocks, erecting them with properly designed equipment (which should be a part of the manufacturer's apparatus) and filling the space left hollow with local heavy materials to provide the exposed part of the wall with weight and insulation against weather.

This portion of the building, being excavation and masonry, might well be a separate function of some systematic contractor who would do a job for so much money. If he advertised his ability to handle this work promptly and efficiently, people would soon give him plenty of business. Let us assume, then, we have completed the excavation by machine and that the cellar foundation has been built by machine work in the method described. Above the foundation comes the wall or frame, in which there are many openings to be filled with interesting and intricate detailed members.

These members should be complete, fabricated units. This applies to the doors, both front and back—provided a back door is needed in a workman's cottage—and the

windows. Both should be made up complete in the shop, ready for installation to the last detail and then shipped to the job. There they should be erected by gangs who know how to handle fabricated windows and doors. This applies to doors on the inside of the building as well as exterior doors.

In fact every door, every window throughout the house should be completely fabricated, screen runs and weather strips included. I venture to say on my own knowledge of values, which is supported by the statement made to me very recently by Mr. Severn, president of the Burrill Lumber Company, that windows and doors thus fabricated would represent a saving of 50 per cent over the cost of building them on the job.

Right here I want to cross swords with the critic of the architect who says (I have heard this hundreds of times from contractors):

"The architect is so fussy—he wants every molding different from those made or available."

I want to say to every architect that it is my opinion that he does wrong if he does not select his own detail of molding for sash muntin, for window moldings, for interior casing, stool, chair rail and other details of trim, both exterior and interior, provided he is doing business enough to warrant making a job in a mill of the run required for the buildings which he is erecting at one

time. I will go a step further and say that he might very well take the artist's pleasure in owning the knives with which these ten or twelve different moldings could be cut. These knives cost less than three dollars each. Let him proudly possess these tools and carry them to the fabricating shop when he starts his unit of fabricated homes and instruct the fabricator how they shall be used, and have them returned to him when the moldings are completed.

Thus he could go to Portsmouth, N. H., find what the fine carpenter of the old days, vying with his competitor, did for the moldings of the doorway and repeat them in their full simplicity and refinement for the benefit of the next generation. Any good architect ought to be glad to spend \$30 for knives to do this. The small porches overhanging the beautiful doorways of Portsmouth could be reproduced, made in a mill, stacked for future use and sold as a whole to be applied to a solid bolting strip built in with the structure. Too, if our architects go to Portsmouth often they will build brick buildings as the beauty of brick houses built of the river clay brick, burned with wood (known from Maine to Saskatchewan as the "water struck brick") will leave a stamp on their minds which will not fade.

The progress, therefore, of the building (if of brick) will be about as follows: Two hours after the excavation is done, foundations should be in place. Masons should follow the following day in sufficient number to lay the brick work to the first story sill by quitting time, the fully fabricated windows and doors being placed and built up as their level is reached. The following day the space between the windows of the first story (a height of about 6 feet or a little less) will be easily finished because the gang is organized, and the openings filled with windows and doors leaves a reduced area to cover. The work above the first story windows and a little up on the gable ends of the story and half cottage will be laid the third day. The gang then moves on, except four men, who remain to top out the gables, two in each end. It takes them two days to do this and then the house is ready for its roof.

Piazza floors, if the architect or builder knows exactly where the sidewalk level at the front of the steps is to be, could also be fabricated at less than one-half the cost usually required for labor on this sort of

work, using a tremendous amount of short lengths of left-over lumber. The completed steps could be shipped to the job and placed in less than one-half hour, ready for the rocking chair of the workingman's wife.

The supporting sides of the porch (either fabricated columns or seats built in with latticed backs like a hay rack side of graceful Hickory spindles) could also be fabricated to advantage. These seats are in no way different from the double-seated chairs which are made in Grand Rapids and become a part of the household furnishings of many brides. Still, when we put this same kind of a piece of work into a house, the feeling is that it must be hand wrought, made with spindles, shipped with the trim from Cedar Rapids to Bridgeport. There it must be fabricated by hand or hand wrought, very largely, from a lot of loose pieces sawed to length on the job.

The roof of the porch, whether it be pitched or flat with the necessary flashing, should be fabricated if it is not too big to transport on a flat-top motor truck. Stage scenery representing the same pieces of buildings, very much too large for any workingman's cottage, would be made up complete and taken out on the road with no question.

The cornices of the brick building attached to the brick wall and to the roof rafters should be fabricated and shipped complete from the fabricating shop. The lengths are usually not too long for full-length members to be used. If they should be, cut them in two.

Stairways Too!

STAIRS complete, including stair rail and balusters, should be fabricated at the shop, several types being made to fit the requirements of the various types of houses. The making of stairs is dependent upon the story heights, which should also be standardized so as to have twelve or thirteen risers as desired.

In all of this talk on fabrication I have not said a single word about ready-cut houses. I believe the term "ready-cut houses" has held back processes of fabrication which would otherwise have taken place before now. Ready cutting of timbers is the smallest part of fabrication and, in my opinion, only economical where small groups of a very few houses are to be built. Where the job runs into carload lots of lumber and

is sufficiently large for a local framing mill run by electricity or gas, there is no reason for framing the timbers. Whether it is economical or not will be decided by the facts of the case. Ready-cut houses will be sold until we come to the fabricated house designed by the architect. I feel very strongly on this point, being unwilling to even offer helpful suggestions as to any program of building if it eliminates the master hand of the architect from the problem. I demand his dictation of form and beauty, simplicity and good taste in the home of the workingman but refuse to pay him 6 per cent for each repetition of this job. However, no good architect wants to work out the problem on the single-house basis.

If our hundred best architects could each have three houses thoroughly worked out, absolutely dimensioned and presented to a fabricating shop for detail drawings, exactly in the same way that this same architect would do with his structural drawings of an office building, then he would stamp with the very least cost to himself and his office some part of the country with his house economically built and be paid his proper fee for his part of the work.

The big builder would immediately take recognition of the opportunity to use system and speed in the small-house proposition. The small-house builder would suddenly find himself advancing in ability to handle more and more operations because of the tremendous assistance given him by the local fabricating shop where he could buy what he wanted or have made for him what the architect has told him to use.

I have tried to write this article simply and have digressed only for the purpose of illustrating some of the handicaps with which builders are hindered when trying to build for the lower 80 per cent of our population. We are not building a single thing for this man today in America. We have no program which leads to building of a single house for the workingman. It is for the high class clerk in the bank, the thoroughly high paid mechanic and the semi-executive in our manufacturing plants that houses are intended today.

Before the housing problem is solved, the people of America must recognize that something has to be done for the workingman, both in the construction of a proper house for him to live in and in the solution of the financial problem of its building.

Congress In Its Lighter Moods

As Painlessly Extracted from the Congressional Record

THE ASPHALT under the shadow of the big dome sends up wavering clouds of heat; down the hard, hard corridors the perspiring tourist forces his aching feet. Inside the thermos bottle of a room where the Senate holds its sessions, jaded statesmen dream of trout that lie in the shadows of icy mountain streams, and of green breakers that polish the cool sands of the seashore. But the stern reality of urgent legislation holds them fast. Is it any wonder, then, that in the discussion of the Tariff Bill they welcome a subject that will allow their cramped wits to stretch their legs? They are talking about honey, and honey, as you know, is produced by bees:

Mr. HITCHCOCK of Nebraska: Was there any evidence before the committee that this tariff was necessary to protect the American

bee from the pauper bees of Cuba and Mexico? I suppose the pauper labor of the bees down there is threatening the existence of honeybees in the United States.

Mr. WALSH of Massachusetts: No more than there was need of a tariff to protect the chickens of America from the pauper chickens of Canada.

Mr. HITCHCOCK: There might be some argument that those chickens up in Canada scratched unusually hard and vigorously for less food than the American chicken got on account of the climate. Now we are talking about a climate to the south of us. Is it possible that the pauper bees of Mexico and Cuba, in a climate so calculated to ease and comfort, can produce honey cheaper than the bees in the stimulating climate of the United States?

Mr. SHORTRIDGE of California: Responding to the thought of the Senator from Nebraska, that there are American men, women, and

children employed in the care of the afore-said bees. We are not concerned primarily with the happiness of mind of the individual bee, but we of California are thinking of the men and women engaged in that great industry.

Mr. STANLEY of Kentucky: Mr. President, I will say to the Senator from Nebraska [Mr. Hitchcock] that it is rumored that a most elaborate and scientific investigation on the part of the Tariff Commission has demonstrated that without this duty the American bee cannot maintain the American standard of living. My colleague from Nebraska seems to show a startling unconcern about the busy and industrious American bee. Without this duty he would immediately drop to the low standard of living and dying, of dress and custom, in which we find the pauper bees of Europe, the uncared-for bees of Canada, the neglected bees of South America. Would you leave the bee family absolutely unprotected? Would you see



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Summer has descended upon the capital. Up on The Hill blocs battle for their constituents and classes clash over this and that piece of legislation. But far from the resounding halls and the whispering lobbies the serene routine of

everyday life proceeds in Washington just as it does in Pocatello or Marion. If you are inclined to doubt these statements look upon this picture of the White House back yard. The time, as you may have guessed, is Monday afternoon

the bee queen uncrowned? Would you have the bee drone uncared for? Would you leave the American bee without the protection of the law, without the wise and safeguarding aegis of this beneficent Congress? I am surprised at the brutal and callous indifference of the learned Senator from Nebraska to the happiness and the honor and the comfort of the great American bee.

Mr. HITCHCOCK: Mr. President, it had occurred to me that possibly the enervating climate of Cuba and Mexico would so detract from the activities of the bees down in those countries that it might be possible for the American bee, living, of course, in the higher standard of American life, enjoying a climate much more stimulating, to produce sufficient honey to compete successfully with the bees in those enervating climates. Is not that an argument which might be taken into account?

Mr. STANLEY: That weighs with me, and it should have weighed with the committee. Then another thing: There is a good deal in habit and environment. The American bee lives in a protected atmosphere. He works in a protected hive. He is robbed by a protected owner, and it will not be long before he will make protected honey from protected flowers, winging his way through a protected atmosphere; and perhaps sooner or later those flowers themselves will bloom under the beneficent influences of protected sunshine.

Mr. CARAWAY: Mr. President, the Senator from Nebraska evidently forgets that the bees in Canada and in Europe work longer hours

than the bees over here. We do not want to compel our bees to labor as long as the bees in Canada and Europe labor.

Mr. STANLEY: I had not heard, but probably the American bee will organize under the beneficent influence of the Fordney-McCumber tariff bill. It is pathetic, though, to see the utter indifference of the Democratic Party to the welfare of the American bee. Then, when you think of the men, women and children who are dependent upon the activities of this bee, when you think of the arduous labor in placing a bee gum under a tree, and waiting for God and nature and the energy of the bee to fill it with honey! If they were not supported in their arduous task by this wise duty, I can now see the want and the penury and the unrequited toil of the happy bee owners of California, where God sends flowers all the year around, and sunshine with each returning day, to aid the poor, unprotected bee.

Just think of it. With nothing on earth but the California climate, California flowers, and California fruits to aid a California bee to have to lead an unprotected life, helpless against the competition of some foreign bee on a sand waste down yonder in Mexico, or perhaps some other bee trying to lead a precarious life among the frozen wilds of Canada. Or perchance he should be protected against the wayward bee who happens to make a little honey in China or Japan. Oh, Mr. President, if this duty is not imposed, I see the ruin of the American bee, the desolation of American industry, and broken-hearted dwellers all over

the fair and once prosperous State of California.

Mr. HITCHCOCK: Mr. President, the Senator has entirely omitted the impending menace of competition from the German bee.

Mr. STANLEY: I forgot that.

Mr. HITCHCOCK: There the mark has fallen so tremendously that no doubt the bee is able to live at far less cost than the American bee, and I have no doubt that this country will be flooded with a great importation of honey from Germany in consequence, if the Republican argument is valid.

A State of Sunshine—and Moonshine

AFTER considerably more along the same line the Gentleman from California feels called upon to reply:

Mr. SHORTRIDGE: Mr. President, I listened with certain qualified admiration to the grandiloquent tribute paid to the bee falling from the lips of the Senator from Kentucky [Mr. Stanley]. He was good enough to make reference to the state whence I come. Of course, there is a great difference between our two states. It is quite true that the climate of California is very delightful. Indeed, it is the land of eternal sunshine, whereas Kentucky is the land of eternal moonshine. As for Nebraska, we know not whether its inclement climate would suffer any kind of bee to survive. But we are not concerned with the happiness of the individual bee. . . .

In respect to this particular item, as suggested by the committee, we are applying a

doctrine which we think is economically sound; that is to say, we are seeking to make profitable an American industry, by giving it adequate protection, in order that American men and women may enjoy that prosperity. My learned friend and I now differ radically as to the two theories of tariff legislation. He would have the honey of other countries come in free of duty or with a very low rate of duty. I would impose a tariff duty necessary or sufficient to equalize the cost of production here and abroad—and hence our firm, fixed difference of opinion.

Mr. STANLEY: Has the Senator any authenticated figures on the difference in cost of production for the educated and the uneducated bee—the domesticated and the wild bee?

Mr. SHORTIDGE: Oh, Mr. President, if my friend can come down from the heights of facetiousness—

Mr. STANLEY: I do not mean to be facetious. I am asking it in all seriousness. The Senator has applied the timeworn standard of equalizing the cost of production at home and abroad. Has he any figures or does he know of anybody else that ever had any, to show the difference in the cost of producing honey from a bee that is domesticated and from a bee that is not—the difference between the little wild bee with the long sting in Cuba and

the brown Italian bee with the short sting in California?

Mr. SHORTIDGE: If that be argument, it is argument. I am dealing with those who engage in this legislature and important American industry. I do not wish to detain the Senate by quoting here elaborate figures or statements showing the vast amount in pounds and in value of this product. It is considerable. . . .

We Rescue a Poem

IT IS no uncommon thing for flowery prose to blossom in the deliberations of Congress. But when a member of that body takes up his lyre and reverts to poetry, you may be sure that the lapse is worthy of its provocation. One Mr. Voight, of Wisconsin, has been causing repeated roll calls in the House. Mr. Vaile of Colorado figures that the gentleman from Wisconsin has cost the taxpayers \$281,896 in a single day. Mr. Vaile continues:

The gentleman's action is purely personal. He has evidently conceived the idea that by punishing his fellow members and impeding the transaction of the public business he can force the House to assist him in coercing another department of the Government for the

sake of helping him secure certain postmaster appointments to which he considers himself entitled. . . .

Since it is impossible to explain the gentleman's conduct by the usual, orderly processes of logic, I have endeavored to put his point of view into halting verse, the only appropriate medium. I submit the following to the charitable judgment of my colleagues, not as an example of literature but as a study in psychology:

Perhaps I am not very sure

What we are voting on,
What laws we make, that may affect
The country when I'm gone;
But this I know, that I'm abused,
My patronage is shorn.

The Senator who stole my pie
I cannot cause to suffer.
But I can soak my colleagues here,
So let them be the buffer.
I'll treat 'em rough, and rough some more—
And then I'll treat 'em rougher.

George Washington, and Lincoln, too,
Foiled national disaster,
And hardly ever even squawked
That Congress moved no faster;
But, then, they only saved the Flag—
I'm saving a postmaster.

The Museum, a Factory Annex

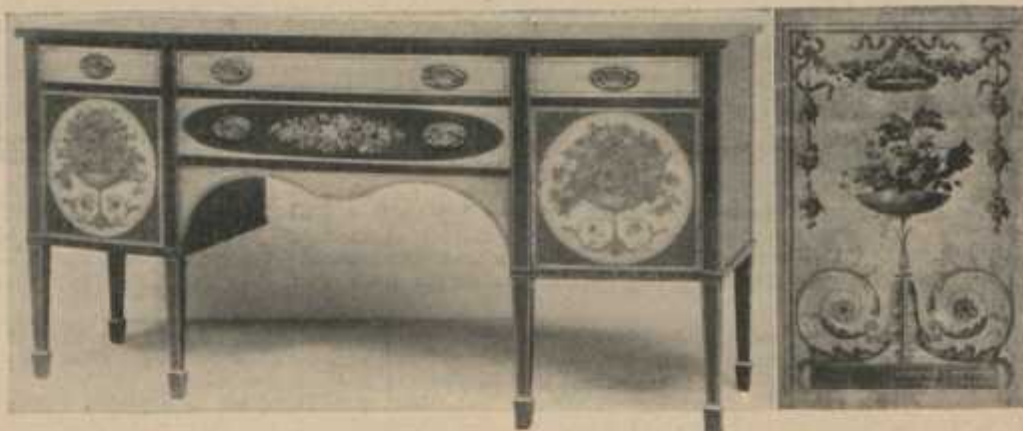
By RICHARD F. BACH

Of the Metropolitan Museum of Art

The photographs used in this article were furnished by the Metropolitan Museum of Art

THIS IS not an article on the business of art; nor is it concerned with the art of business. It has the simple thesis that art is worth money in trade, that art annually sells products valued in billions of dollars, that artistic design is a selling point as important in many industries as warmth is in selling wool, endurance in selling tires, health in selling cattle, or the weight of lead content in selling oil paint; in other words, that many industries count on art as an initial ingredient without which their products would not be salable.

The conception is not new; it is as old as architecture, or better, as old as personal adornment. Man has always counted heavily on appearances. To count on appearances



A modern sideboard which drew the inspiration for its decoration from the XVIII Century French panel on the right



An XVIII Century French brocade (on the left) has been studied for the very modern cretonne from an American mill

does not mean to favor externals regardless of structure beneath. Good appearance, attractive design, is not superficial in value or intent, even though actually applied on the surface. It is part of the first conception of the object.

The design of a locomotive or trip hammer or steam shovel implies its mechanical function. By comparison, the design of a chair or lamp also implies a utilitarian purpose; and the design of a cuff link or ink stand or collar box maintains the same principle. Compare Peter Cooper's first "steam wagon" on the B. & O. with the iron horse that hauls the Twentieth Century from New York to Chicago. The difference is seen first in design as expressive of function, second in the effort to make the newer thing more attractive, "better looking," more appealing to the eye, which is a roundabout way of saying more satisfying to the mind. Practical hand-satisfying function has begun what more ethereal mind-satisfying design must complete. Design cannot make amends

for lack of functional value. A beautifully designed stove that is not constructed for draft is neither a good stove nor a good design, because in the first place it must be useful.

Typewriters of long ago were highly decorated—with paint; but they were of limited practical value. Typewriters of today are the acme of practical value, and their decoration is one of form alone. Yet compare the first Remington with the latest portable model; the advance in function has been backed up at every step by an effort to develop a "better looking" machine. Design has worked out from the facts, which require the maximum strength and service from the minimum of material; design subscribes to this principle of our vaunted efficiency. No doubt a great part of this effort is unconscious; that is its saving grace and greatest advantage; that is its fundamentally human quality.

Our examples above are drawn from fields in which mechanical design predominates

Design as expressive of function is just as characteristic of products in which mechanism does not count, but in which the physical function has to great extent yielded importance to the mental. A device for mechanically squeezing oranges may be very useful without being attractive, yet as soon as it has reached a standard of performance it is made more attractive in appearance, so that it becomes an asset to the soda fountain. By contrast, a well-built safety clip and the strongest silk string or patent settings are but minor considerations in a necklace. The factor of utility in the practical sense is small as compared with the mental satisfaction found in the appearance of the piece. Beauty comes into play, and in the daily grind we may call this "artistic design" as distinguished from the more directly practical design of the machine. In an ideal world, some day, there will be beauty in both, for the beauty of use and the use of beauty respond to related areas of the mind.

Design as a Salesman

IT IS with the so-called "art industries" that we are here concerned, industries in which artistic design sells the product. Consider women's handbags or bathing suits, men's shirtings or cravats, ribbons, lace, flappers' scarves or sport clothes for both sexes, to mention but a few items in the ever-changing kaleidoscope of fashion, in these we have the most exaggerated examples of the selling value of "artistic design," the commercial value of the "better looking" thing, the cash value of beauty. It is an admissible argument that in such products, created for ephemeral use, the sale is quick and the beauty therefore of the same stamp; too often is this true, but the process of thought which accomplishes the purchase is the same.

Refer the matter then to more solid things such as rugs, arm chairs, sideboards, wall paper, lighting fixtures, linoleum, upholstery fabrics and other elements in home furnishing. Here we seem to restore the balance. Material, execution and design, the controlling triad of manufacture, are seen in proper proportion.

Material, execution and design are the leading considerations that guide the product from first conception to finished piece on the salesroom floor. Materials we know and can choose. Execution we know and can master, we have equipment and the power to control it. But what of design? In American art industries today, design is the step-child.

Business men have reasoned it out for themselves over and over again. The hand is too slow to supply the mass with, let us say, woven silks. Mechanical means are soon found for weaving the silk. The new toy is developed to an egregious degree: attachment follows attachment, until the apparatus is so complicated and seemingly so omnipotent as to stagger its inventors. Millions of yards are fed to it with amazing results. No one seems to notice that the mechanism has become the master, that every design produced subscribed more and more to mechanical limitations, progressively lost vitality and artistic expression (which I hold to be the equivalent of salability); that in the end there would be a stalemate. Thousands of yards from a single motive, drawn up in a space perhaps 18 inches square; thousands of yards of assured sales before the loom can with profit be set in motion.

This is spreading design on very thin, thought some; when one design can travel as far as that, it cannot be very important in a single yard. No, said others, the more

yards you weave the more important is your design for a single repeat; the business value of the original design must be multiplied by the number of times it is used. These two opinions still continue side by side. Those who favor the latter are still in the minority



Below a French vase (Rouen) of the early XIX Century which was drawn on for the "All American" teapot shown above

and will be until American business sees its daily loss.

Business has given much thought to raw materials, their selection, naming, storage, and preparation for use; business has also collectively studied production, processes have been standardized, the cost of a single movement of a single operative is known, machines and management hold no secrets, turnover, transportation and other details are an open book. And there business has stopped. It has gone but two-thirds of the way.

Business has never collectively interested itself in design as a controlling factor in production. It has been blinded by volume, dazzled by numbers; it has made 10,000

rolls of wall paper as intelligently as it has made 10,000 kegs of shingle nails. The process has been perfect—mechanically; perfect in the same sense that the phonograph is a perfect representation of the voice. The difference is that these rolls of wall paper can in the end achieve a form of appeal which kegs of nails must forever lack, if they are to continue useful.

In producing this wall paper, and we could as well say carpets, candlesticks, bookbindings or watchcases, business has aimed at perfection in material and at perfection of handling. Design has just "sort of come along"; worse than that, it has been neglected, forgotten, marooned and often made to walk the plank. At the same time, when a sale is to be made, what is the talking point that carries the greatest weight? This same design which seemed insignificant at the beginning of the process of production suddenly assumes importance.

The manufacturer says to the buyer: "I want you to note this timber, get the weight and strength of it, the way we have treated it with this and that; then look at our construction, the finest piece of joinery to be seen in the markets of the world; then this finish," etc. Meanwhile the buyer's picture of prospective sales has granted meager space to wood and build and varnish; it has been based mainly on comfort and convenience in use and on appearance, which is design. He has seen comparative values on the fourth floor of his store, the values that control his customers' judgment, for he knows that while a cross-section of an ice box may be good evidence, the same is not true of a dressing table.

The best wood and the best construction may still make a garish rocker that the market will absorb, flamboyant carving, green plush covering and all. If that is the bull's-eye for which business aims, there may be need for prayer, but there is no need for fervent paragraphs like these. The finest wood and superlative construction are powerless, even useless, certainly without character, unless they find expression in the best design. Fine design will sell poor materials and mediocre workmanship, but the opposite does not hold true.

Where Design Comes In

A CHEMICAL formula may be revamped a year after year and sold under the name of perfume, if the design of the bottle keeps step and the design of the advertising backs it up. An evil example, but a proof. What flimsy materials have you seen used for women's clothing, wondered at their wearing qualities and stared at their price; the design of the garment has sold them. You may take several yards of straw, some silk, wire, thread, ribbon and a few flowers, and out of this concoct a marvel of millinery. The materials may cost you five dollars; the hat will sell for fifty. Yes, there is the cost of making, labor, rent and other overhead; there is the cost of merchandising, wages, packing, and again the overhead. These may make the difference in actual figures, even though we allow a profit of only 25 per cent. But have any of these sold the hat? Design alone did that.

A similar defense may be written for design in several scores of art industries. Costume alone, not counting uniforms or men's clothing, represents an annual outlay of American money totaling \$500,000,000. Home furnishings cost a similar amount. Add to that the other types of industrial art, printing, jewelry, building, etc., and we reach a sum which would "buy New York," as the saying is. This is the consumer's outlay.

The products so purchased are not always the output of American labor and skill. In this is our greatest failing.

Suppose you export cotton to England and buy it back as knit goods. Before the knit cotton goods get back to us, the English have added 80 per cent to its value; they have added skill in manufacture. Americans pay this 80 per cent, and in addition Americans pay the freight, the tax, the merchandising cost and the several profits to our own middlemen.

In printed cotton goods skill adds 125 per cent, in pottery 290 per cent, in clothing 500 per cent. Skill is nothing but manipulation of material to produce the design which commands the price in the end. We cannot say what design alone is worth. It is part of material; it is part of execution; it is a factor, not a figure by itself.

The curious thing, the un-American and inefficient thing about the whole matter is that design has not received attention from business men. Have they founded or aided schools of industrial art? Do they co-operate with schools by linking theory with practice? Yes, one out of a thousand has done this. I have in mind the organization chart of a knitting mill in which there are four process instructors, against one designer.

Do We Prefer Foreign Art?

AND again, do American manufacturers favor foreign designs? Yes, many do and will persist in buying designs abroad. Do these same men in a definite, practical way aid American designers or advise their instructors? Yet their criticism of existing schools is both plentiful and caustic.

Finally, do American distributors buy American goods and sell it under a foreign label? Or do only foreign concerns with establishments in American cities grovel in this way for the dollar? These are sore spots. Time alone will not heal them. Remedy lies in constructive effort. Without this we will come more and more under the heel of Europe in many art industries.

When the war began our designing rooms were manned by foreign talent. With the first gun these designers left us as though in a single boat load. We had no substitutes. Blissful ignorance had built no bulwark against such a tide. Business talked and prayed and hoped—mostly hoped. Not a single school was established. If any came into being, surely they are not with us now. As soon as the war ended, the orgy of exportation of raw materials began again, and at the same time products of foreign skill crowded out American products in the stores.

But there has been some progress; there are a few long heads among us, a few giants with vision, who have hewn to the line and often lost by the effort.

Glib complaint is easy. We have censured producers, but we have not meant to spare distributors. Stores have devoted increasing attention to selling service, but have not taught their clerks the meaning of design. The customer knows what she likes, the clerk knows what's on the shelf; they can get together only in the matter of design, this is the common ground. So the store must extend its service in that direction. For the store stands between manufacturer and consumer, arbiter of taste for the millions, and by the same token director of the factory's efforts.

The consumer can hardly be blamed. How shall he find out about design? The schools do not help him gain appreciation; a handful of schools have begun to teach him (or her) how to buy, which means how to discriminate between designs.

In this as in many large questions there is a vicious circle of which the beginning is also the end. So in the present case the circle must somewhere be cut so that a beginning may be made in the direction of improving design. While for the consumer good design may mean satisfaction and peace of mind; for the merchant it will mean increased service, good will and profit; for the manufacturer a better product, a steady market, a larger working margin; and for all three a better bargain.

But the mass of consumers is too great to be quickly taught; educational systems must grow up to its needs. This they are doing, though with painful slowness. Mean-

or celluloid hair ornament, candy box or umbrella handle, coat lining, bone button, piano, kettle drum, handkerchief, talcum box, advertisement, porch chair, tea pot or door-knob, no matter what type of object as to purpose, material or form—if it falls in the field of useful objects made attractive by design, the museum of art can help. The accompanying illustrations show how one museum has helped in a practical way. These producers have obtained authentic information at the fountain source of design; they have figured it out that the value of their products is three-fold: material, execution and design. Above all they have come to regard a museum of art as a silent partner in business, while their designers have added its collections and facilities to their laboratory material.

Not to be outdone, the dealers in turn have shown a similar advance. They now attend in scores several series of conferences at which are discussed the fundamentals of form and color as related to practical purposes and as expressing current selling values. And all of this on the basis of originals tested by time and preserved because of this same transcending quality of design.

These are but two indications of how one great public art institution works. They would not be possible if there were not fertile ground to till. And they are in themselves inconceivable without the backing of the trades. Yet they indicate plainly the Metropolitan Museum's conviction that art has a commercial value, an idea which must yet be sold to the vast majority of producers and dealers in the art industries.

It comes to this: the art trades must stand and deliver. The American public is rapidly approaching the place where it will say: We want the best design by an American designer in all our home furnishings, in our clothes and our books; we want American-made products, no matter whence the raw material comes; we are not dazzled by the European trade-mark, it is no guarantee of either quality or design; we don't like *Nippon* on our tea cups, *Paris* on our gowns, *Germany* on our toys; we are glad to see *Made in the U. S. A.* on these and a thousand other objects; and finally, we are willing and able to pay for good design.

Business must keep ahead of the game. The art trades must lead. The better thing must be ready before the consumer demands it. Provide excellent design and these millions will stay in America. Provide excellent design and American industry will grow.



To the left an old Chinese vase; to the right the same design used to beautify a talcum powder can

while our circle can be cut in two places. The producer and dealer represent smaller, more workable numbers. These can, by taking advantage of existing facilities, largely educate themselves toward a higher standard in design. They can go to school with past masters of their crafts or business pursuits, for at all times art has commanded a price, design has been sold, and the making of it has been a source of income.

They can find resource at the museum of art. Whatever the problem, leather purse

New Styles in Bond Holders

By FRANK PLACHY, JR.

National City Bank of New York

HAS THE United States become a nation of bond buyers? In the feverish activities that accompanied the selling of Liberty bonds between 1917 and the close of the war, the assertion was frequently made that after the war's close the bond-buying habit would be found firmly implanted in this country. This prediction has in a large degree been fulfilled, and yet there are a number of qualifications of it that must be borne in mind if a true picture is to be had.

Before 1917, the bond-buying public was so small that it was practically limited to a few large cities, nearly all in the East. Bonds were purchased by institutions, estates and by large investors, but for the average man to buy a bond was practically unheard

of. Now it is taken as a matter of course. From a few thousand buyers, all more or less expert in the science of bond-buying, the field has widened until it is now estimated that 400,000 people constitute the bond-buying public in the United States.

Just how much the Liberty bond campaigns had to do with this is a question. Bond dealers say that great credit must be given the high pressure methods used in acquainting the public with the science of investing that developed during the war, but they immediately qualify their statements with further information. In the first place, the statement that 20,000,000 people bought bonds during the war is clearly incorrect. The fact is that that number of bonds were sold, but many people bought bonds as many as

fifty times, each time counting in the figures as a separate purchase. Thus the actual number of purchasers fell far short of the number of bonds sold.

Again, immediately after the close of the war, thousands who bought Liberty bonds from patriotic motives or from pressure of some sort sought to dispose of their holdings. Credit was inflated, interest rates were high, and the market was unable to digest the large offerings of Liberty bonds, with the consequence that the market price dropped fifteen or more points. Thousands of people who sold at that time, after having been assured that Liberty bonds were the finest investment in the world and would always be worth their original cost, became disgusted and felt that they had been cheated. To convert again such a person into a bond-buyer is a herculean task, and bond salesmen say that it is far harder to re-sell such a person than to make an entirely new customer.

Probably the greatest single factor in the nation-wide increase in bond-buying comes from this fact: At the outbreak of the war there were many bond houses with excellent organizations and with a scientific knowledge of the bond business. When the Government wanted to dispose of its huge bond issues, every one of these houses laid aside its ordinary business and placed its entire organization at the disposal of the Liberty Loan committee. In the natural course of things these bond houses widened their organizations and got in touch with thousands of new prospects.

When the war closed and the period of reconstruction set in, the stage was set for a great increase in bond buying. Taxes had become so heavy that the large investor sought to place his funds in tax-free municipals and state bonds, so that the strain of financing the genuine business reconstruction of the country fell on the small investor, the man who buys a \$1,000 bond at a time. From sheer necessity, the bond houses began a strenuous and intensive cultivation of this class of investor, and the high type of salesmanship that was brought to the task resulted in tremendously widening the number of bond-buyers. In addition, nation-wide advertising of high character reached practically the entire literate population of the country, assuring that those who lived beyond the territory in which bond houses or their branches were located would have bond selling service at hand through the mails.

Here's Definite Proof

PERHAPS the most concise proof of the widening of the market for bonds is the fact that the largest bond distributing organization in the country reports that in the course of a few years its average individual sale of bonds has decreased from around \$25,000 to about \$2,700. When it is remembered that large sales, many of them over a million, are still made to large investors and to institutions, it is clear that the small buyer has indeed become the most important factor in the great work of supplying America's industries and public utilities with the funds needed for their development.

The question is sometimes asked, just what is meant by the "Small Investor"? Bonds are, of course, issued in \$100 and \$500 denominations, but the truth is that they constitute a very small proportion of the total of security issues. The fact is that it is scarcely practicable, in view of the great expense to which bond houses go before they put out an issue of bonds, to sell them in such small denominations. The expense of making a small sale is as great as a large

one, and profits are so limited by competition that the sale of the better type of \$100 bonds is clearly done only as an accommodation to the public. One representative bond man estimates that a reasonable number of \$500 bonds can be handled as part of a large issue without loss, but that there is no profit in them.

Bond houses never refuse orders for either \$100 or \$500 bonds, but they do so only as a matter of public policy and because of the likelihood that the thrifty person who saves even so much as \$100 will some day be a purchaser of bonds in much larger units.

An interesting development in connection with the widespread purchase of investment securities that has come into vogue since the war is the policy that is growing up among the big public utility corporations of placing their stock among their customers. The most recent example of this is the announcement on June 26 by the New York Telephone Company of an issue of \$25,000,000 6½ per cent preferred stock to be sold only by those in its employ. The credit of this company is such that it could easily have disposed of this issue through the usual banking syndicates, but it preferred to place the stock in units limited to small amounts to each person, thus assuring a wide distribution among the public of its securities.

Workers as Owners

IT IS evident that this policy has been adopted as a nation-wide method by the subsidiaries of the American Telephone and Telegraph Company. The principle that those having an interest as investors may as well have an interest as users of a public utility service is clearly a sound one, and one that is destined to exert a wide influence in improving the relations which exist between the great public utilities of the country and their customers, who of course comprise practically all of the general public.

Another example of this development in the case of an electric light and power company, and one which dates back of 1915, is that of the Northern States Power Company. This company supplies electric light and power to 351 communities in Minnesota, the Dakotas, Wisconsin, Iowa, and Northwestern Illinois. More than 20,000 of its customers located in every city and town served by the company now hold more than \$16,000,000 worth of its 7 per cent preferred stock, an average of a little over eight shares apiece. The company states that 500 new customer shareholders are being added each month.

These two examples show how truly diversified is becoming the ownership of the great public utility interests of the country, but the situation is no less true in the case of the great industrials and the railroads. It is a well known fact in Wall Street that the purchase of United States Steel common has been so persistent during the past five years that what is termed the "floating supply" of that stock has become extremely limited.

In the case of the railroads much the same situation obtains, and the Pennsylvania Railroad is probably the leading example of a great road in which those living along its lines are its principal owners. This system has about 140,000 stockholders, of whom more than 52 per cent are residents of the State of Pennsylvania. It is interesting to know that almost 50 per cent of the Pennsylvania's stockholders are women.

Another railroad system whose stock has an investment character is the Archison, Topeka and Santa Fe. The total number of shareholders of this system is more than

45,000, of whom almost exactly half are women. In this case the holders of stock do not live along the line of the road to the same extent as in the case of the Pennsylvania, for the obvious reason that this road does not run through states where accumulation of capital has been going on for generations, as in the case of the eastern states.

Undoubtedly railroad executives look with favor upon the wide distribution of their stocks and bonds among those who live along their lines. During the next five years the railroads will require vast sums of new capital and if the tax situation remains substantially as it is now, the only place from which this capital can be secured is the small investor.

Another branch of the investment field which has been widely developed during the past few years, especially in appealing to the small investor, has been the sale of real estate bonds. These bonds have been sold along substantially the same lines of salesmanship and advertising that have been used by the large bond houses that have sold issues of states, municipalities, industrial, public utility and railroad bonds, but the houses themselves have, as a rule, limited their activities to this one type of security.

The future of the bond business in the United States is undeniably bright. The business revival which seems undoubtedly at hand will multiply the demands for new investment capital, and the great mass of this capital must come from what is termed the small investor, that is, it will be supplied by the man who invests from one to three, or five thousand dollars at a time. The facilities of the great bond houses are being more and more perfected so that the element of safety to the investor is ever increasing. At the present time the problem of the bond houses, particularly the large ones with nation-wide organizations, is not so much the difficulty of securing customers as of securing satisfactory bond issues to offer them. With improving business, this condition will diminish. There is a vast amount of work to be done and only the dollars of the small investor can do it.

A Limitless Market

THE earning power of the American people is so great and the investment demands which have been made upon them so far have been so small, that there is every reason to believe that every good and satisfactory security offered in the furtherance of America's development and interest will find a market.

The profound sociological effect which must follow upon the distribution of ownership of the great institutions of this country among the great masses of the people cannot be over-estimated. No man seeks to wreck that which he owns. The plans of those great industries and utilities which have sought to distribute the ownership of their securities directly among the people with whom they do business and with whom they come in contact, is both good sense and good psychology.

One of the window displays used in the Liberty Loan campaign best tells the story in a nut-shell. This exhibit contained a picture of the old-style, side-whiskered banker of the type portrayed by pre-war cartoonists. Over this picture was the caption "Bond Holder, Old Style." Alongside of this worthy was a mirror of equal size, with the caption "Bond Holder, New Style" so that whoever looked in the mirror saw himself there portrayed in contrast with the plutocrat of the past. The designer of that exhibit had a vision that is rapidly being realized.

The Best Trade Story I Know

By FREDERICK SIMPICH

Of the State Department

SINCE the days of the Venetian traders the adventurous consuls of one nation or another have played star parts in the world dramas of commercial conquest, of colonies and empires in the making.

There was the famous German consul, Nachtigal, African student and explorer, who by hobnobbing with native chiefs added the vast, rich Cameroons and Togoland to the Kaiser's crown and left his own bones on the lonely shores of Liberia.

And what thrilling tales of jungle perils, of plague, of poisoned arrows might be told of bold British consuls from Basra to Belize, who died to "paint it red on the map."

Uncle Sam, with so much room in his own backyard, has never felt obliged to colonize in wild lands across the seas. But his consuls are there, of course. "And your first duty," he enjoins them, "is to see that Yankee merchants get an even break." A short order, easy to say, but thereby hangs many a tumultuous tale.

In all the annals of Africa, no more picturesque story is told than that of Robert Skinner, now American Consul General at London, and his "invasion" of Abyssinia, leading an "army" of less than thirty armed Yankees! Now except in China, we sell more cotton goods in the Red Sea region than in any other country. And Abyssinia is a good customer. But till Roosevelt's time, we had no treaty with that isolate land; in this whole realm of ten million souls, with an area six times that of all New England, the American flag had never been seen. So Roosevelt sent Skinner to make a treaty of amity and commerce with wily old King Menelik, at his barbaric palace in far-away Addis Ababa.

How Skinner, with three officers and less than thirty bluejackets and marines, made the 1,000 mile trip from the Red Sea coast to Addis Ababa and back is a yarn that in sheer human interest compares with the historic march of Lewis and Clark, or of Young-husband's trip to Lhasa. It is even more remarkable, that this tiny band of Americans were able to penetrate this brooding Africa region of savage tribes, waterless marshes and wild animals, and return in safety without the loss of a single man!

Just picture it, in your mind; the tableau at Addis Ababa the day Skinner got there. A tall, handsome Yankee in evening clothes and tile hat, under the glaring African sun, mounted on a small, skinny mule. Beside him, American navy and marine officers in full dress uniforms, backed up by a score of sailors in white pith helmets and blue and mounted on smaller and skinnier mules and all advancing to the palace-throne of Ethiopia. Around them 3,000 wild Abyssinians flourished spears and queer shields of rhinoceros hide, leaping and shouting while a native "band" played the Marsellaise and Hail Columbia—by ear—by Abyssinian ears at that—with camels, chained leopards and veiled women in the background! All this staged in the wilds of Africa, where no American flag had ever flown before!

It was at Djibouti, on the Red Sea coast of

In the Absence of Mr. Kipling—

PUBLICITY follows the drums and guns. As yet no man has arisen in this country to sing adequately of the peaceful exploits performed by our representatives in strange lands. We seem to suffer for the lack of a Kipling.

With this need in view we asked Frederick Simpich to write for us the best story of courage and ingenuity that he could find in the records of the State Department. After running through many tales in the keeping of that sedate organization he finally decided on this one. He tells of the visit of Consul General Skinner to the court of the late King Menelik of Abyssinia and the signing there of a trade treaty which has resulted in the sale of much American merchandise in that Christian kingdom.

If the movies are looking for a real thriller we recommend to them this tale, every bit of which is true and of official record.

THE EDITOR

French Somaliland, that Skinner and his band had landed from a Yankee gunboat of our Mediterranean fleet. From this hot, sandy town of salt pines, ivory, skins and sin, they made the first lap of their trip by train through dusty Somaliland. Today, track is laid a full 500 miles—from Djibouti clear up into Addis Ababa; but back in 1903, when the Skinner expedition went in, the trains went only to Dire Dawa, on Menelik's frontiers. There the party transferred to mules and camels, and began the long rough and dangerous trek into the wilds of Abyssinia.

Lieutenant Hussey of the Navy, shifted from the quarter deck of his ship to the hind-quarter deck of a mule, commanded the caravan. His chief aid, or desert-going bo'sun, an extraordinary Arab named Sali, also acted as their domestic and referee when camel-men and muleteers began their daily battles. Sali wore rings in his ears, on his arms and ankles, and was obsessed with a craze for shaking hands. No matter what happened, when or where, Sali would leap from his beast and shake hands all down the American line! . . .

"His duplicity was deplorable," says Skinner, "but his picturesqueness undeniably. His great toes stuck through his stirrup rings, his gorgeous garments fluttering in the wind, his earrings glistening and his spear uplifted, galloping through the mimosa trees, filled my heart with gladness, and—I confess it now without shame for my weakness—I would have been happy had I dared to forgive him later on, merely for the joy of looking at his person."

Like other orthodox Arabs, Sali had his own religious convictions. One night—when he had through some fluke of his desert schedule been without food for two whole days, a sailor offered him half a can of corned beef. The slayer of elephants smelled it, looked at it with wistful eyes, and very plainly wanted to eat it.

"Who killed it?" he asked in a firm voice.

"Nobody knows—nor cares. It's good—go on and eat it," he was told.

But his religion was stronger than his appetite. He handed back the Christian beef from Chicago, and turned to Mecca to pray.

Entering Abyssinia as guests of the Emperor, the expedition has the right to demand supplies. By a wise law in Abyssinia, called the "durgo," needy travelers may ask for food, and the local natives must give it. They in turn get proportionate credit from the tax gatherers.

Though the American party had brought most of the supplies it needed, the offerings of the tribesmen along the trail were amazing in their magnitude. In the farm regions of the high lands, often towards sundown as many as forty people would arrive, leading steers, goats and sheep, and carrying baskets of eggs, bread, barley and beer, and bundles of firewood. Law and etiquette required that something be brought, and custom required that the traveler should pay if he could. To one chief who came bearing gifts, Skinner gave an American flag—explaining what its stars and stripes meant.

"It is the proudest decoration I could possibly own," said the chief. "On feast days I shall wear it about my shoulders."

One night in camp a Yankee sentry fired on a prowler. At once the whole caravan crew was in an uproar. Quickly the officers gave orders—guards were put over the camel and mule men, to frustrate any treachery. In the stillness of night they heard strange voices crying out angrily, and on the ridge of a low hill odd, shadowy figures were seen leaping about, but no whistling spears came at them from the shadows, nor shots. Then a scout, sneaking out in the dark, hurried back to break the news. The "enemy" was a horde of huge monkeys! Disturbed in the lonely hills by the sentry's shot, they had come down to see what it was all about.

The recent Paris fad for monkey fur—worn as trimmings on women's clothes—has made sad inroads on monkey life in Abyssinia. Now, by royal decree, export of monkey fur is controlled.

At times the abundance of game was almost incredible. Antelope there were by the hundreds, and deer, gazelles, wolves, leopards and smaller animals. Once Doctor Pease pointed out a huge rock of queer shape, seen in the distance. Presently the "rock" got up and walked off—an elephant. In one valley they saw 6,000 camels grazing. Here and there, beside the trail where mimosa trees grew, they noted signs of men having been hanged for their sins.

One native prince, the Ras Makonnen, sent Uncle Sam a pair of big Grevy zebras and in presenting them to Consul Skinner, he began the text of his note as follows: "How are you? Myself, by the Grace of God, I am well."

It was on the morning of the 19th day from Djibouti that the Americans first saw from afar the shining tile roofs of Addis Ababa, the end of their inland march.

Miles out on the great plateau couriers from the King came galloping to meet them,

an escort that grew and grew till fully three thousands surrounded the handful of Americans as they marched snappily into the ancient, sprawling, African town.

This escort proceeded in bewildering confusion, walking and running their horses by turn, wheeling about their chiefs and performing the most astonishing equine evolutions.

"One could readily comprehend that the disorder was apparent and not real," writes Skinner, "and that at the word of command these men could be fully controlled. No picture can do justice to the beauty of the spectacle. Dr. Pease, who had been at Cairo the year before, declared that the gorgeous splendor of the procession which started with the sacred carpet to Mecca was as nothing compared to this. No two costumes were alike. Saddles and bridles were decorated with gold and silver fringe, bucklers of burnished gold were carried, and from the shoulders of warriors flew mantles of leopard and lion skins. Only the bright rifle barrels marked the difference between these Ethiopians and the army of their forebears who followed the Queen of Sheba when she went down to Judea. Across this moving mass of color floated the weird music of a band of shawm-players, playing now as they played when

Jericho fell. With the probable emotions of the Yankee at the Court of King Arthur, we approached the throne of the King of Kings."

The scene at the palace, when the Americans entered, is one to conjure with. It brings visions of Marco Polo when he met the Emperor of China, of Cortez at the throne of Montezuma. Europeans had been to Addis Ababa before, of course lots of them; but to the Americans, it was like discovering an ancient world, lost to civilization for a thousand years.

Through numerous gates and gardens and palace walls they went, and across a great campus where native artillerymen stood at

attention by long rows of guns captured from the Italians when they invaded Abyssinia. Then to a vast doorway of Indian design, leading to the *asferach*, or imperial audience chamber. Here Skinner and the Yankee officers slid from their mules, and entered. It

He had a quick, intelligent expression, Skinner says, and listened closely as the interpreter translated the American's formal address.

Then the King spoke in Amharic, which the interpreter put into French for Skinner's understanding.

Menelik was not at all disturbed, Skinner says, in making his formal responses, by the fact that fully 2,000 of his curious subjects were crowded within earshot. The attitude of Menelik and his people was one of friendly hospitality. Word had gone forth, in that mysterious way that news travels in the East, that the Americans had not come for military or political reasons, or as spies, but purely to promote trade and establish friendly relations.

When the King had finished speaking, Skinner formally presented the American Navy and Marine officers. Then appointments were made for the next audience, when the exchange of gifts, and the business of the treaty, should be discussed.

As a rule, even in his diplomatic intercourse with semi-barbaric potentates, Uncle Sam does not follow the practice of some European governments, and make valuable or magnificent gifts. So Skinner came to Addis Ababa bearing presents to Menelik of no great monetary value. Like the King of England,

who had just sent Menelik a trick elephant, Skinner sought a present with a note of individual appeal in it. He chose a brand-new typewriter and a gun. But on the typewriter, he had guessed wrong! When shown to Menelik, he took a polite interest—being a King—but since his own alphabet has 251 characters and there were only 26 on the Yankee typewriter, his Majesty soon turned with joy to the gun. An American repeating rifle with gold-plated mountings, and a complimentary inscription!

When the Americans showed him how it worked, Menelik forgot all about being a King and grinned with boyish delight. Eager



Menelik fired shot after shot through the open door

was a great cathedral-like hall, its vast floors completely covered with oriental rugs; on both sides were massed the notables and dignitaries of Abyssinia, and at the far end, under a golden canopy, King Menelik II waited to receive them. On either side of the King stood a royal prince, holding a gun.

The Americans, both officers and men, led by Consul General Skinner, advanced across the open space, to the edge of the elevation where the throne stood. Here they halted, Skinner advancing alone to meet the King. Menelik held out his hand, with a friendly smile, and the visit began. His Majesty wore diamond earrings, and a red velvet mantle.

to try his new toy, he ordered it to be loaded and then, regardless of guests, unmindful even of dignitaries with such sacred names as the "Mouth of the King" or the "Slave of the Holy Ghost" he raised that Yankee repeating rifle and, without changing his position on the throne, fired it ten times in quick succession through the open doorway of the palace!

Later on, Menelik learned that the Americans used blanks for saluting. He had never heard of them before and immediately asked for a supply. "I am going out to my country place next week," he told Skinner, "and take these cartridges. I'll have lots of fun, teaching certain of my officers how to act under fire!"

Just to add a homely Yankee touch, thanks to the foresight of that famous American institution, the Department of Agriculture, the gift-giving party ended when Skinner handed Menelik a choice selection of American garden seeds.

Menelik got his first glimpse of Yankee system and snap when Skinner astonished him by producing a proposed draft of the treaty, all written up in *Amharic*, Menelik's own language! When the good effect of this clever stroke had thoroughly soaked into the Imperial Brain, Skinner explained that a Yankee Professor at a place in *Amerique*, called Princeton, had done this miracle.

In the days that followed, while negotiations went on and minor changes in the treaty were discussed and agreed on, the Americans had opportunity to learn something of life, sport, and daily occupations in Abyssinia. Skinner himself wrote a book, now out of print, which gives a delightful picture of the manners, morals and history of this ancient people.

A Test of Credulity

EDUCATION, as we know it, scarcely exists. One story told by Skinner casts a light on the condition of learning—or the lack of it—in this country of queer contrasts. At Harrar, he says, he met the head of a local school, who could recite whole books of the New Testament by heart—but his knowledge of geography went no further than Jerusalem and Suez. "To him everything else beyond was grouped under the single head of *frangi*, or foreign. It gave me a singular sensation when I announced to this gentleman, who heard it for the first time, that the world was round. The statement seemed so much at variance with his own observation that he called in a number of friends, to listen to the remarkable exposition of the *frangi* from America. Finding that I was having some success, I ventured to remark that in New York there were buildings so high that passengers were transported from story to story by railroads . . . but my friend felt that he was being imposed upon, for his interest flagged from that moment!"

At one state luncheon, Skinner observed that the white-robed vassals who served the table followed an ancient custom. From every bottle that was opened, they would pour a spoonful into the palms of their hands, and drink it before serving a guest. This, by tradition, to prove their own good faith that the wine hadn't been poisoned!

Though Christianity in a limited form is the established religion, even in Abyssinia some preachers get off the beaten track. It is told of one doctrinal disputant that he declared the Holy Trinity really consisted of nine persons instead of three. After 30 lashes on the bare back, he got orthodox again!

Only the King and a few of the highest dignitaries wore shoes. Some of the generals

wore socks, but were innocent of shoes.

But it was not gold braid, or the snappy setting-up exercises of the marines that made the biggest hit in Addis Ababa. It was the silk-hat work by Skinner! Once a provincial King begged such a hat from a distinguished European traveler—who had brought it from Paris. Only on great days the King wore this prize, and not then till he had the rim set with a row of emeralds!

Though there are eight million Abyssinians and their country is rich in live stock and minerals, trade *per se* interests them but little. Battle and politics are above mere barter, and here in this remote nook of the world is an army of 500,000! Trade there is, of course, for these millions must be fed and clothed. But there are no great importing firms, or warehouses, or any of the visible machinery of commerce. Trade is done as in Sheba's time—skins, ivory, beeswax, ghee, etc., are traded for things from the outside world.

A Little Trick of the Sellers

SOME foreigners say there are 15,000,000 cattle in Abyssinia. In good years over 1,000,000 hides are exported—and in one good year, 1916, this tiny, wild land exported 5,000,000 goat and sheep skins! As these are sold by weight, it is a common practice among desert folk, as they approach Addis Ababa or any other market where hide buyers are waiting with their scales, to stop by a stream and soak their hides for a day or so, thus adding 5 or 10 per cent in weight.

Coffee grows wild—and is plentiful enough to form a large item in export. Beeswax, too, is gathered from the forests, and plowing is done with sharp sticks and clods broken up with a stone maul. Though most of the people live by their herds, in the highlands lie thousands of acres of good farming land, and grains, fruits and vegetables grow in abundance wherever any effort at farming is made.

Most Americans don't know where Abyssinia is—or whether it's a medicine or the name of an Italian opera. Yet from that faraway country we take about nine-tenths of all its vast exports of skins, maybe half its ivory and civet, and a large share of its coffee.

American cotton sheetings and other goods that reach Abyssinia usually go through the dealers at Aden and Djibouti. A parcels post agreement with Abyssinia would help us greatly. English, French and Italian wares are all sold by mail from Europe. A few traders in Abyssinia have imported considerable quantities of Yankee goods by having them sent parcels post to Hong Kong, and then remailed by British parcels post to Addis Ababa. A recent consular report says:

To give an idea of the nature of the merchandise which comes by mail via Hong Kong there might be mentioned a shipment that came into the shop of an Addis Ababa merchant during the writer's call upon him. These parcels received were from a well-known American mail-order house and contained, among other things, 44 pairs of shoes and 12 raincoats, most of which were sold before reaching the merchant's shelves. Another trader received a mail shipment of 50 dozen cotton undershirts direct from America, the mail charges on which amounted to almost \$50. The need of a parcel post agreement with Abyssinia is great—both to introduce samples of American goods, and to facilitate actual sales.

For years Yankee cotton goods or "Amerikani" have been famous throughout all this Red Sea country. Here, where money is scarce, pieces of American sheeting pass cur-

rent as a standard medium of exchange. In many localities pieces of cloth of various standard sizes, rock salt and cartridges, actually are the only "coins" in use.

It was a proud day for Skinner when the treaty draft was finally agreed to—and he knew he had got all he came for. The whole American expedition went to the palace that day, and it was an occasion of great ceremony.

The Yankee sailors and marines, with arms, stood at attention just opposite the throne. Menelik II set his seal, then Skinner signed, then a white-robed secretary came carrying a formidable instrument—the Seal of State, and set it on the floor, and took the treaty and stamped on it the Lion of Ethiopia. When all was done, Skinner handed Menelik, as a souvenir of the occasion, a bronze bust of Washington.

And Menelik, true to oriental form, gave Skinner two lions and a pair of 8-foot elephant tusks that weighed 384 pounds, to take home to the President. To the officers of the party he gave spears, bucklers, and swords of honor and to every bluejacket and leatherneck he made a suitable present.

Nothing remained now but to pack, make official adieus, and hit the long trail down to the sea.

In making their last rendezvous at the palace to say good-bye, the American officials by accident got separated from the camel train carrying their food and bedding—which had left Addis Ababa ahead of them. A few miles from the city, still clad in evening clothes and dress uniforms, they overtook a part of their caravan—but not the section that carried bedding and tents. And here they were, a cold night coming on in a mountain country 8,000 feet above sea level without coats or bedding! Manifestly, said Skinner, five highly decorated Americans who had just said an official farewell to the King of Kings could not now go back and ask again for shelter. Finally, on one of the pack mules they found a bundle of leopard skins which they unrolled, and passed around. Wrapping themselves in these spotted skins, and dividing up one can of cold beans which a marine had with him, they huddled together in the cold wind, to pass a wretched night. Toward dawn the lost camel train came up, delayed, the men explained, because one of the gift lions had got loose and had to be chased and caught!

Romance Still Lives!

ADIGNIFIED American Consul General, in silk hat and evening dress, a leopard skin about his shoulders, squatting beside a lonely mountain trail in North Africa and eating cold canned beans—who says romance is dead!

At Dire-Daouah, on the Somaliland frontier, from whence the Americans were to go by train back to the Red Sea coast, the caravan was broken up—and all the natives paid off, and given backsheesh.

Atto Pito, chief muleteer, wanted Skinner's silk hat; wanted it worse than he wanted money, or a watch, or even a gun. So Skinner gave it to him. And before they could stop him, so grateful he was, he threw himself on the ground and kissed Skinner, first on one foot and then the other. Then he leaped up, drew his white mantle about him, and with one hand on his long curved sword and the high hat on the back of his head, strode away barefooted over the desert.

Menelik is dead now, and his daughter, the Empress Waizeru Zauditu, rules after him. But ever since Skinner's famous trip, America has been a name to conjure with in Ethiopia.



A Nation of Prudent Spenders

By LYNN W. MEEKINS

Former Assistant Commercial Attaché at Peking

THE VALUE of money is widely recognized throughout the world, but no people appreciate it more than the Chinese, merchants of forty centuries. They are shrewd business men who know quality when they see it. Rather than be worsted in a transaction they would part with a right arm, for even then the abacus, ancient calculating device, could still be manipulated with the left hand.

"Ch'ien"—the word for money in Mandarin dialect—crops up just as frequently as our letter "E." A stranger comes to a Chinese town. The first question is, "Has he money?" If not, he might just as well keep on wandering. It is only some four millions of Chinese who are able to visualize a full larder some days ahead; the four hundred millions are unacquainted with comfort or plenty. Such people must, by force of circumstance, be among the world's most prudent spenders. They are careful to get their money's worth when they buy.

Without intending to imply that all men under the Oslerian age of forty and weighing less than 175 pounds are entirely out of luck in China, the fact remains that age—middle, at least—and embonpoint are so highly respected by the Celestial populace that men who qualify in these particulars enjoy a decided advantage. Gray matter is the first requisite, with patience a close second. Democracy, courtesy, a keen sense of humor, a thorough knowledge of human nature—all these are desirable if not absolutely necessary traits of the American business man who would succeed in the Orient. If he has a liking for children—and this is important—he can handle patiently the very elementary inquiries and the impracticable suggestions made by those inexperienced in American products and their uses. Chinese business men are not children, of course; they are generally of a very high order of intelligence, but many are totally unfamiliar with our goods and with our trading methods.

The Priest With the Cups

OUTSIDE of the Yellow Temple in Peking is a circular pit, of stone, about 8 feet deep, with a shallow niche at the rear. During the Chinese New Year celebration, lasting ten days, a venerable priest sits there with head penitently bowed. In front of him, in the center of the pit, suspended from an iron standard, are two tin cups. All sorts and conditions of humanity press closely against the iron grating surrounding the edge, trying to throw copper coins into one or the other cup. That their aim is mostly bad is shown by the thousands of coins on the floor of the pit and the very few in the cups; and when a coin does lodge in the target a tremendous yell goes up from the crowd. I managed to land my third coin, whereupon bedlam broke loose. "That means good luck for one year," said the bright-eyed young Chinese who had taken us to the temple. Luck, or "joss," is the third factor to be considered by those who sell American goods in China. Of this, more later.

A good example of an American quality product which has found a substantial market in China is electric lighting sets. Ener-

getic selling, backed by efficient service, has placed them in scores of cities and towns. Electricity made an instant appeal in China because better light means better business. Native merchants now vie with each other in the brightness of their shops.

Before long there will be a million American spindles in China's cotton mills. Here is another line, introduced within the last decade, that the Chinese have been buying heavily from the United States. At one time several American manufacturers were booked so far ahead with Chinese orders for textile machinery that they were working upon this business exclusively. Last summer a German firm approached a Chinese mill owner and offered equipment at a price 20 per cent lower than that of American machinery, but failed to obtain an order because of the proved efficiency of our machinery and the prompt delivery and expert service American manufacturers are giving.

In these pioneer days of motoring in China, American cars are conspicuous, having demonstrated their ability to travel over such difficult routes as the caravan track across the Mongolian desert. General Chang Tso-lin bought a 7-ton armored touring car of American make last year for use in Manchuria. Displayed in a Shanghai showroom upon its arrival, this automobile at-

tracted much interest and impressed the Chinese with the advantages of American automotive products.

"We will try anything new that is good," declared Chang Chien, who is recognized as China's foremost industrial captain, during a conversation at his native city, Nantungchow, in the spring of 1921. That statement explains the value of high quality in American products sold in China.

In order to persuade the Chinese to try anything new that is good, American business men must be prepared to deal with a race that must be "shown." The new product has to be displayed, its superiority needs to be demonstrated, its uses or methods of operation must be fully explained. This sales work calls for ingenuity and resourcefulness.

The Chinese like to talk, to bargain, to speculate on exchange. Business is pleasure for them if accompanied by abundant conversation, friendly argument over prices and, finally, concessions granted by the seller. Nothing seems to please a Chinese so much as getting a little more than he expects. German firms, acting upon this principle, were building a sizeable trade in cotton piece goods before the war. They contracted to deliver the usual 40-yard lengths and delighted Chinese dealers by actually delivering the cloth in pieces from 40½ to 40¾ yards long.

A hustling American astonished foreign business men in North China some months ago by his success in selling hardware to native dealers in Peking and Tientsin. It was his first trip to the Far East and he was cavorting in strange pastures, but a genial disposition and corrugated iron vocal chords carried the day.

His First Call

HE CALLED first upon a long-established American firm conducting a general import and export business.

"I am C. W. Brownsmith of the Hammer & Saw Manufacturing Company," he announced to the manager. "I am going to sell our hardware to a lot of native concerns here and I want you to handle the shipments for me."

The manager of the trading company smiled.

"If you can sell any hardware to the Chinese firms in this town you are some salesman."

"All right; I'll show you. Give me one of your English-speaking Chinese who knows his way around, and if I don't land \$10,000 worth of orders by tonight I'll present you with a case of 'extra dry' that's extra wet."

It was a dull business day and the manager, having sporting blood, assigned an assistant comprador to assist Mr. Brownsmith.

Thereupon they ventured forth in two rickshaws—the man-drawn taxis of the Orient—and returned in four hours with \$15,000 in Brownsmith's order books.

Wong, the assistant comprador, with beaming face, told how it was done.

"We go Hsing Ming. He have plenty stock, say no buy new piece. Mister Brownsmith he talk very quick. Hsing Ming he no

Statistics from China

CHINA is an amazing country. It must be, since nine out of every ten stories written about it strain the English language trying to get that idea across to the reader.

And statistics! To anyone who truly loves figures, China is a subject to revel in. One reason is that no one doubts any statement made about the huge republic of the orient. It is commonly said that China has 500,000,000 people. Some authorities, not satisfied with that estimate, have voted China a population of 700,000,000. It would have been all right if they had gone on and said that there were 700,000,000,000 Chinese. These lengthy figures have proved so alluring that many a writer gives way to the temptation of taking the total population and of using it as a base to see how many silk hats, can openers, and undershirts we would sell if every Chinese could be lured into buying.

We touch on these things merely to emphasize the fact that this is something new in articles about China. We believe you will agree with the man in our business office who said it was the most readable story on China that he had ever seen.

THE EDITOR



A shoe factory in China running full blast. The workers are making the straw sandals that are seen all over the country. Straw is twisted into thick thread which is in turn woven

and plaited to fit the feet of coolie customers. You will note that the proprietor is a believer in advertising since he is careful to have the picture include some of his latest styles

can speak English. Mister Blownsmith he talk so quick I no can savvy. He talk very much, make Hsing Ming laugh. Hsing Ming he say to me, 'Never see foreign man talk so much. Ha, ha. Very much talk.' Mister Blownsmith laugh, too, but no stop talk. My'm bye Hsing Ming hold up hand, laugh very much. He say, 'I have got hammer, have got chisel, have got wrench, have got plenty all kind; but this foreign man he can talk so dam' much, I buy.' Hsing Ming he buy five hund'ed taels. Then we go Li Chang-hsu. He buy. We go see eight, nine, ten more shop. Mister Blownsmith he talk all same. Sell much goods."

This whirlwind campaign is not typical, but it shows what a hustler can do in China with some lines.

Another instance is the experience of a paper man whose firm was represented in China by a British house. Arriving in Shanghai, he was told that only two kinds of paper could be sold—newsprint and machine-glazed cap. He decided to try a little selling on his own account, and in five days obtained orders for \$40,000 worth of cardboard, wrapping paper and high-grade stationery. The trouble was that the British house overloaded with agencies, could not push them all actively and failed to develop sales of any but the most important lines—the most important and the most profitable.

As to the joss: A year and a half ago I met a representative of an American publishing house. He was in Peking and wanted to go by rail to Hankow at a time when

one of China's nondescript "armies" was interfering seriously with traffic on the Peking-Hankow Railway, especially passenger traffic. The soldiers, many of them coolies in filthy fragments of uniforms, were crowding into first-class compartments on the through trains, bringing most unpleasant impedimenta. Such company was insufferable for any portion of the 33-hour journey, often prolonged to 40 hours or more by "military" delays. My friend was advised to go by another route but insisted upon trying the railroad. Early one morning he left, and that was the last I saw of him until a few weeks ago, when he told the story. Here it is in his words:

"I managed to squeeze into a compartment occupied by three other foreigners and four Chinese. Among those present was a French officer with a whopping big service revolver and a shotgun, off for a hunting expedition a short distance from Peking. Upon learning that I was unarmed, he said, 'You are taking your life in your hands then, trying to get to Hankow.' He expressed regret that he hadn't an extra revolver to lend me.

"By noon I was the only foreigner left in the compartment, the others, with one of the Chinese, having alighted at various stations. To while away the time I took out a lot of cards people in Peking had given me with the idea of making a list of those whom I had met. It happened that the top card of the pack was that of Commander H—, an officer attached to our legation. This card

remained in sight as the Chinese 'boy' brought in tea and toast. The first thing I knew, there was a rapid volley in the Mandarin dialect and the Chinese passengers facing me filed out, leaving me the whole compartment.

"After that the train 'boy' closed the door and stood guard for hour upon hour, keeping out all who demanded admittance. When we had passed the 'military' zone and were not many miles from Hankow the 'boy' went away for awhile. A young Chinese who spoke English slipped into the compartment, and from him I got an explanation of my good fortune.

"It seems that all the 'boys' on the through trains can read English as well as speak it. Seeing that card, my 'boy' thought I was a high officer of the legation, and quickly acquainted all would-be intruders with my exalted standing. Four generals, six colonels and nine majors had been kept out of my compartment at various stops along the route because no one could be allowed to disturb a distinguished American official!

"On top of this agreeable surprise, I was greatly pleased to find that my new Chinese friend was related to a member of a substantial native firm in Hankow. With his assistance I landed some very good business in that city."

Something good and practical to sell, experience and intelligence in selling it, fortune favoring the salesman—there are the ingredients of the best trade-building mixture for American go-getters in China.



Rail Wages and Living Costs

MUCH has been made by the leaders of the railroad workers who have struck or who have threatened to strike, of the charge that the Railroad Labor Board has been "basing the rates of pay upon a minimum rate of 23 cents an hour, \$1.84 a day or \$563 a year." It is a striking argument which pictures an American workingman and his family seated at table and asks, "Can these live on \$563 a year?"

A striking argument, but is it a fair one? No, and for several reasons. The Labor Board did not base rates of pay upon that 23 cent rate. That rate applies only to section men, the lowest paid form of railroad labor, and to section men only in a very small section of the country. Section men under the recent decisions of the Board get from 23 to 35 cents an hour and the fact that the average rate is 32.7 cents shows how few would come under the 23 cent rate. Those few are on a small number of divisions of some southern and southwestern roads in places where cost of living is low and where the men get in many instances free living quarters. Furthermore, these men in 1915 got but 15 cents an hour and in 1917 but 19.3 cents. Or take it from the angle of what the wages will buy and (the figures are the Labor Board's) the purchasing power of that 23 cents per hour is 44.5 per cent greater than the purchasing power of the 1915 hourly wage in wages.

And this last consideration holds true of the wages of all others affected by the Board's recent decision. Living costs are higher than in 1915, but wages have outstripped living costs. The stationary engineer can buy 70 per cent more with his pay for an hour's work than he could in 1915, boiler room water tenders 25 per cent more. These instances might be multiplied, but let us get back to our starting point. The Labor Board never did base rates of pay upon a minimum of 23 cents an hour. It fixed that rate for one small group of labor in one section of the country and it did it after considering local living conditions and the pay of similar labor in other industries in the same community.

No Duplicate Keys in Nigeria

DUPLICATE KEYS are not wanted in Nigeria. An official ukase decrees that no machines for making duplicate keys are to be imported. Whether the purpose is to penalize an individual who loses a key by compelling him to buy a new lock, or to prevent persons with predatory instincts from opening the locks of law-abiding citizens, the official proclamation does not say.

Suability of Unions Is Nothing New

SUABILITY OF UNIONS, as pronounced by the Supreme Court early in June, continues to be a seven-day wonder in the eyes of some people. A little thumbing of the leaves of the publications of the Department of Labor might assist such persons to reduce the extent of their wonder. There they will find record of a New York case, not yet a year old, in which employees went into the courts and got an injunction against the association of their employers. They will also observe the recent case in Illinois which was significantly entitled "Carpenters Union v. Citizens Committee to Enforce the Landis Award"—and it seems that in the case nobody suggested that neither side was "suable."

Anyone really searching for cases in which labor unions have sued, or been sued, will not have far to look, and will find many titles of cases possessed of significance. For example, there are *Nederlandsch Maatschappij v. Stevedores* and *Longshoremen's Benevolent Society, et al.* (in which a steamship company was

awarded damages and costs against unions which had failed to meet the obligations they had assumed), and *Powers v. Journeymen Bricklayers* (in which a union that had a local monopoly of workmen was held liable for the difference in wages between the rate the complaining employer had to pay and the rate granted by the union to another employer).

As long ago as 1907 the American Federation of Labor, describing itself as a voluntary association, asked that it be recognized by the Supreme Court of the United States as having the qualities which give standing in courts. The Federation then received from the Supreme Court the recognition it asked.

How Much Germany Has Paid

REPARATIONS PAYMENTS present questions which have now been continuously before the public for many months. The facts about the payments actually made are worth setting down.

Under the schedule of payments fixed at the beginning of May, 1921, Germany was to pay in the following twelve months 2,000,000,000 gold marks plus 26 per cent of her exports. It has been estimated that the resulting total would have been 2,670,000,000. The amount actually paid in the twelve months was 1,665,000,000 gold marks.

From the point of view of Germany, these payments are to be increased by the additional amount handed over on account of the cost of the army of occupation. That was 213,000,000 gold marks. In all, therefore, the payments were 1,878,000,000 gold marks.

Thus, Germany actually paid about the equivalent of \$469,000,000.

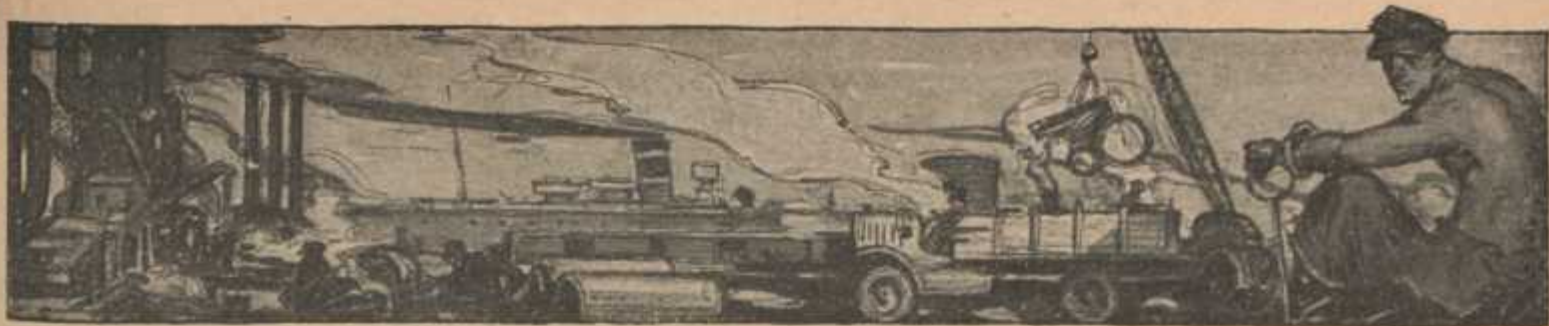
The amount due for the twelve months beginning with May, 1921, would be due also for the current twelve months but for the action of the Reparations Commission in the spring of 1922. Under this action, the full amount is postponed upon condition that Germany this year pay 720,000,000 gold marks in money and a value of 1,450,000,000 in kind and comply with the commission's requirements as to internal arrangements. It was in connection with these internal arrangements that Germany said it would need the foreign loan as to which the committee of bankers on June 10 advised the Reparations Commission that they could not offer a prospect of a loan in view of the uncertainty about the amounts Germany would be asked to pay in reparations.

It Isn't the "Same Old Subsidy"

IN ANOTHER part of this magazine we give some very interesting figures in regard to our merchant marine. The amount of tonnage that is tied up is staggering.

Never before in the history of marine legislation in the United States has the subject of a merchant marine presented itself for consideration as it does in its present aspect. Heretofore whenever the question of the establishment and maintenance of an American merchant marine has arisen, the main consideration has been how shall the necessary ships be acquired: by purchase in the cheapest market, or by construction in American shipyards with a government subsidy to make up the difference in cost? Possessing, as we do, a great fleet of publicly owned ships, the question of the moment is, what shall we do with them?

The answer is, the Shipping Board can continue to operate them in a wasteful, extravagant manner, with attendant and enormous losses, meanwhile and perhaps indefinitely deferring the establishment of a merchant marine under private auspices; they can be tied up at docks, or anchored in back waters out of the



current of traffic and left to deteriorate to a state of worthlessness (and no fabric decreases in value more rapidly than a ship out of commission); they can be scrapped at a cost that would doubtless exceed their realizable value as junk; they can be taken out on the ocean and sunk (and shipping men say this is what should be done with at least 2,000,000 tons in any event); they can be sold to foreigners, or a considerable number of them can be, if the price is ridiculously low, and thereafter used to make more difficult the employment of privately owned American tonnage; or they can be sold at a low price to American purchasers as improving conditions permit. The conditions of the sale should insure their successful operation during the existing period of depression and while we are educating a sufficient number of our citizens in the complicated business of ship operation to establish the world-wide agencies necessary to the success of the business. The purchasers would be paid, in order to equalize the cost of operation with the lesser cost in competing nations, a sum proportional to the \$50,000,000 which the Shipping Board says it is now losing in operating expenses alone every year.

Assuming, as every informed person must, that a merchant marine under the American flag is essential to the fullest development of our foreign trade, can any business man doubt the wisdom of the last-named plan for the disposition of the ships? The answer will be found to a considerable degree in the fate of the shipping bill now pending in Congress, the passage of which can be effected if business men lend it their support. This bill may not be happily devised in all its provisions, but it is the only constructive measure that has any prospect of success in the present emergency, and for this reason ought to be passed.

Government Aid for Belgian Ships

SHIP SUBSIDY appears in the form of a governmental guarantee in the case of a foreign company which bought twelve vessels from the Shipping Board at \$600,000 each. The company is Belgian and its finances up to 100,000,000 francs are guaranteed by the Belgian Government, on condition that the vessels remain under the Belgian flag.

As vessel property has fallen greatly in value since the purchase, the Belgian company has had difficulty in paying for its ships according to the contract with the Shipping Board. A syndicate of Belgian banks is now understood to have undertaken to provide the money over a period of five years, thus eventually replacing the Shipping Board as the company's creditor.

It Costs to Change a Railroad's Name

RAILROAD CONSOLIDATION, proceeding in England under a post-war statute which in some respects is similar to our Transportation Act, has caused a problem in names for the consolidated companies. It has been discovered that changing names on all of the property of companies from freight cars to stationery, let alone the embroidered initials upon uniforms, is going to cost a lot of money. Therefore, it is agreed that the new title should be short and as near as possible to the old.

Trade Via Suez, Reviving

SUEZ CANAL is a gateway at which to a degree there is a gauge of international trade with a large part of the world. In 1921 the general shipping using this canal amounted to 18,188,000 net tons. This was an increase of 544,000 tons over 1920 and signifies a continuation of the gradual improvement which over several years has been noticed at Suez.

The figure for 1921 was still almost 2,000,000 tons under

the traffic for 1913. How far this difference is due to the opening of the Panama Canal it is difficult to compute, and it is altogether possible that the volume of business through the Suez Canal in 1921 is to be considered, with allowance for diversion to the Panama Canal, as equal to the prewar traffic. The total traffic through the Panama Canal in 1921 was slightly under 12,000,000 tons. Of this traffic about 4,000,000 tons were coming from Europe or proceeding to it. If there had been no Panama Canal only a portion of this tonnage would have gone by way of Suez, and what part of it this would have been there is no way of telling.

The declining part governments have in business is apparent in the Suez figures. Government traffic through the Suez Canal in 1918 was 57 per cent of the total. In 1920 it was still 19 per cent. In 1921 it was 13 per cent.

No Rest for the Printing Presses

NEW CURRENCIES may soon become a feature in countries where the printing press has run its inevitable course. Between October and May paper money in Austria was increased by almost 400 per cent, and the krone reached such a state of depreciation that bankers and the government in June had under consideration the establishment of a new note-issuing bank to put out a new currency with some gold behind it.

Meanwhile, the Russian soviet government has started a new issue of paper money and by decree declared each new ruble worth ten of the old.

Chance for a Packer Poet

AGAIN literature has arisen to plague the meat packing industry. We are indebted to *The National Provisioner* for the few brief facts. The *London Mercury*, "one of the leading British literary magazines," is the publisher. "In large letters on its orange cover it announces 'The Stockyard: Chicago. A poem by J. C. Squire.'"

Our Chicago contemporary finds no fault with Mr. Squire's workmanship. "A fine bit of free verse craftsmanship," it says, but alas! the poet has dealt only with the slaughtering. He "has not grasped the significance of the operations of the meat industry as a whole." Not to the British poet is given the art which brightens our advertising pages with plump and smiling families made happy by the hams of Chicago. Spreading that gospel abroad is a task still to be undertaken by the American packer, says *The Provisioner*. His is the duty of "stating the facts of manufacture of American meat products and the care taken in getting them to the consumer."

But should not the packer fight fire with fire; prose with prose; verse with verse? Is there no good American poet ready with a "Song of the Sausage," a "Hymn to Ham?" And not in free verse, but in good quadruped measure—four feet to every line:

Sing the steer with the steak nutritious!
Hymn the hog with the ham delicious!
It's time, ye poets, time!
Link the sausage in graceful measure!
Bring home the bacon's golden treasure!
So, rhyme, ye poets, rhyme!

Diamond Dividends Passed

DIAMONDS and farm produce have similarity at least in that they have suffered from post-war readjustment. The South African diamond company, which has paid handsome dividends for years, announces that it has to pass even its preferred dividend.

THINGS SEEN

No. 4—Some Thoughts on Government Interference and also Prohibition

By ROBERT DOLLAR

I HAD an experience with Senator Nelson during an investigation at Washington. They put me through a "long course of sprouts." The Senator said to me:

"Mr. Dollar, why don't you make all your ships American ships?"

"Because," I said, "I haven't got money enough."

"Oh," he remarked, "then that's the measure of your patriotism?"

And I said, "Yes, sir."

After the session was over I asked Senator Nelson if he would answer me truthfully one question that I would ask him, since they had been asking me questions by the hundreds. The Senator agreed, so I said,

"Now, Senator, let us two go in and build a ship. Here is an American ship that we can get for \$700,000, and here is the same ship that we can get in England for \$250,000. The extra expense of running the American ship will be about \$30,000. Now, will you and I build an American ship or a British ship?"

"A British ship," he said.

"That's the extent of your patriotism," said I, "and you a United States Senator! I'm ashamed of you!"

As I have said before, we shipowners need only for the lawmakers to remove the unjust restrictions that prevent us from competing on an equal footing with other nations. We do not need "pap" that destroys hardihood and resourcefulness. All we want Congress to say is, "We are not going to help you, but we will put no obstruction in your way."

The Emergency Act passed during the war was about the only thing ever passed by Congress that amounted to anything in helping American shipping. But the ink was hardly dry on the signature that made it a law, when down came the La Follette Bill. This bill announced that it was "to promote the welfare of American seamen." The inspector's records of San Francisco, made shortly after it became law, show that of 2,064 men 8 per cent were American born, 17 per cent naturalized citizens, and 75 per cent were aliens. An American steamer cleared recently from the same port with a crew composed of three Hollanders, four Greeks, one Swede, two Irishmen, three Englishmen, one Australian and three Americans. What a joke to call them Americans!

I was foolish enough to think that this law would be enforced, and as I could see that it was impracticable to run ships under that law, I moved my ships and the terminus of our British steamship line from San Francisco to Vancouver, B. C. Hundreds of American ships have been fined \$500 each for infractions of this law. The act says that all ships asking clearance shall be governed by the act, yet I have seen ships come in that could not pass the law at all. They didn't even look at them. The law is not enforced. There is a law against stealing and murder. What

would you think if they did not enforce it?

The Jones Bill is another case. We were preparing to meet the effects of this measure which, if it had all been put into force, would have prevented our Vancouver vessels from getting any overland freight, our transpacific steamers by that time being British. But the Government seems to be afraid to enforce this law also. It is believed that other nations would retaliate—and they certainly would, too.

The tendency toward antagonism between government and the individual is too great in this country. Of late in the United States the successful man or the enterprising man is likely to be looked upon at once as something to be suppressed and handicapped. Up to a little while ago our country had practiced the destruction of big business. But when the war came they almost begged on their knees for big business to come back and help them; the politicians had failed. We must get over this tendency—and I believe that we are now getting over it. There are some hopeful signs that our government does not now want to put obstacles in the way of us fellows on the firing line in foreign trade.

I am thankful to the kind Providence that has given me success, but I have done my share. I have worked continuously and hard, and I do not think it would be just if my fellow-citizens regarded me with distrust.

The young man just coming up in business should not forget the value of this old-fashioned recipe. Many of those coming out of the universities these days get the idea that the education they have obtained will earn them their living. A fine, strapping young man once came to me and said that he wanted "a position." When a young man asks me for a position it is like showing a red flag to a bull. I asked him what experience he had had, and he replied that he was a university graduate. To a question regarding what wages he wanted, he replied promptly, "\$2,400 a year." Before he went away I said to him,

"The next place you go, ask for work. And tell them to let you work a week to show what you can do."

Now that prohibition is in effect in this country you hear a whole lot about drinking. Any man's chances in life are endangered by liquor. When I was a young boy I made a vow never to touch a drop, and I have kept that vow ever since. To it I attribute much of my business success. During my life I have seen much trouble caused by liquor.

Soon after I moved to Michigan from Canada, I was looking over some timber, and I stopped for the night in a house kept by a Mr. O'Brien and his wife. They had got a barrel of whiskey with which to celebrate Christmas and New Year's Day and it was about empty. I happened to go into the kitchen, and there I found Mrs. O'Brien busy grating blue stone and putting it into the whiskey barrel. She explained that the boys had made up their minds to have a last big drunk that night. She had found that there was not enough whiskey left, and she knew there would be the dickens to pay if the men found it out. So she was adding to what was left in the bottom with blue stone pepper and water.

About twenty-five quiet-looking men came in and had supper. After the meal they started drinking. The man I had with me and I did not want to stay there because of the looks of things, but it was bitter cold outside and we decided to remain inside. We were soon asleep but were awakened about midnight by a terrible row. The lamp was knocked over, the stove overturned and the shanty caught fire. The men made a rush for the doorway and got out into the snow. We were in a bad way, since we were in our bare feet and it was many degrees below zero. The drunkest ones resumed their fight in the snow outside, while the more sober ones threw snow and water on the burning building. We finally saved the shanty, but my man and I were glad when we could leave and sleep in the snow, which we preferred to Mrs. O'Brien's hostelry.

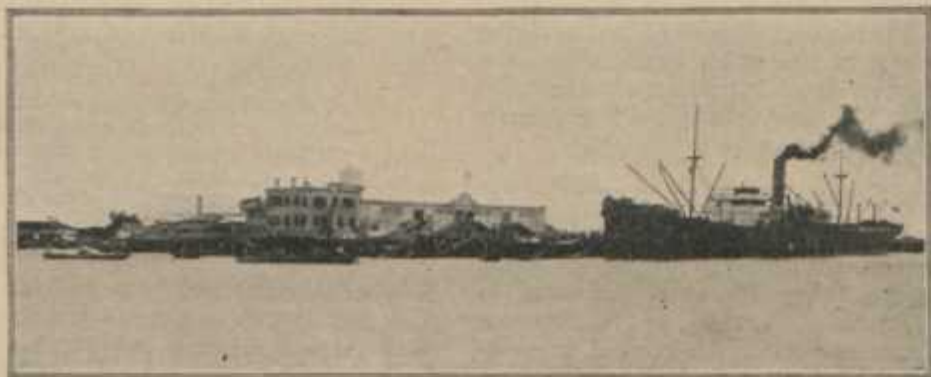
An "Arabian Nights" Tale

LIQUOR played a part in the unusual escapades of a man whom I tried recently to help. On the recommendation of the warden of San Quentin Prison I employed one of the released inmates. I had visited the man and agreed with the warden that the prisoner could become a fit member of society.

I sent him to China to give him every opportunity of starting life anew, and I did not let anyone know where he came from. Instead of reporting to our office in Shanghai he turned up in the "tenderloin," got drunk, signed my son's name to a check and was arrested when he tried to cash it. While waiting trial he got in the good graces of the jailer, obtained the keys, and late one evening he and the other jailbirds got out and headed for the tenderloin. He was arrested by a suspicious policeman who returned him

to the jail, this being the first intimation the jailer had that his charges had escaped.

Finally he was tried and sentenced to five years at San Quentin. A deputy marshal was sent with him to Nagasaki with instructions to put him on a transport. Just before the transport arrived he got the marshal so drunk that the latter had to go to bed. Then the prisoner got a Norwegian sailor so drunk that he



The "Harold Dollar" discharging cargo at the company wharf, Shanghai

Lubricating the Wheels of Industry

No. 3

You can do one of two things in a "slow sales" period—either sit down and wait till the clouds roll by, or go out and push for sales.

The sitter-by doesn't interest us—the pusher-ahead does—for we can help him.

This is because Bowser storage and distributing systems, and filtering and lubricating systems, help cut manufacturing costs—and that's an important preface to cutting down sales resistance.

It is as Roger Babson says:

"In many cases labor saving machinery and methods of operation are helping to solve the problem. Clients should keep themselves informed of the swarm of new inventions which will make for more efficient production."

Bowser systems, as has been the case since 1885, do help bring about more efficient production, with all the resultant advantages.

Wherever oils and gasoline

GOOD materials, handled by good workmen, insure perfection of product, which in turn assures perfection of service. I therefore welcome this opportunity to say that we stand squarely behind every Bowser product in its daily service in American industry.

S. F. Bowser

are used, there is a Bowser for every need, and there are no storage problems (no matter how big or little) which cannot be solved in terms of money saved by Bowser systems.

Bowser battery tanks keep



This is a battery system for handling lubricating oil. Lined up against the wall it requires little floor space. The all metal oil tight construction prevents spillage and waste thus eliminating the fire hazard. Receipts and disbursements accurately checked assuring substantial savings in time and labor as well as the oil itself.

oil at its original efficiency, no matter how long it is stored.

Being oil tight and of all metal construction, spillage and waste are avoided and the fire hazard is eliminated. Receipts and disbursements are accurately checked by gauges and Bowser piston-type pumps.

To deliver oils and gasoline from the central oil house to distant points in the plant, Bowser remote-controlled power pumps save the time and the steps of high-priced men.

Bowser circulating and filtering systems provide a liberal supply of oil for machines and bearings throughout the plant. More oil is in use, but, as it is cleaned at each circuit, much less oil is used up. The saving in tools and machinery, to-

gether with the saving in oil, will pay for one of these systems in any plant in a remarkably short time.

In the planning of alterations and betterments necessary for your plant, please feel free to consult Bowser engineers. Years of concentrated study, and the analysis of just such problems as yours, have made them expert in pointing out the better and more economical ways.

We specialize in just one thing—solving oil and gasoline storage and distributing problems. If you are ready to consider a schedule of improvements which will mean a saving in time and labor, increase production and promote general efficiency, let our engineers survey your plant. It will not obligate you in the slightest, and yet it is sure to give you a clearer conception of what may or may not be needed.

Write today, and let us help you save money and increase production.

S. F. Bowser & Co., Inc.

Former Manufacturers of Self-Measuring Pumps

Home Plant: Fort Wayne, Indiana

Canadian Plant: Toronto, Ontario

Factories and Warehouses:

Albany, Dallas, Milwaukee, San Francisco, Sydney

District Offices: Albany, Atlanta, Chicago, Dallas, Denver, Detroit, Minneapolis, New York, Philadelphia, Pittsburgh, St. Louis, San Francisco, Toronto. *Representatives Everywhere.*

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BOWSER
ESTABLISHED 1885
ACCURATE MEASURING PUMPS

did not know what he was doing. The clever criminal then took the commitment papers—and incidentally the money—out of the marshal's pocket and delivered the Norwegian on board the transport. He produced the court order and got a proper receipt from the captain of the ship for the correct delivery of the prisoner. The innocent Norwegian was promptly locked up and the transport sailed with him.

Having the Norwegian safely out of the way, our man returned to the marshal and slipped the receipt back into his pocket. When the latter woke from his drunken sleep, he found the receipt and thought that he had put the prisoner on board the transport without recollecting it.

The Norwegian was turned over to the warden of San Quentin at San Francisco. He protested that he was innocent, but such protestations are so common in prisons that no one took any notice of it.

Meanwhile our friend had gone to Yokohama, where he put up at the Grand Hotel. The marshal's money soon gave out; he was again arrested and served a two-month sentence in a Japanese jail. When he got out he was sent back to Shanghai and placed in a cell with the deputy marshal. The marshal had been arrested on complaint that he had delivered the wrong man on the transport, the Norwegian having finally convinced the prison officials of his innocence.

The marshal got a term in prison and our friend was sentenced again, this time to a term in Bilibid Prison, Manila. A short time ago I was looking over the books of a bank in Manila and I saw where this same man had borrowed \$5,000 and gone into business. I wanted to give him another opportunity, so I did not tell the bank manager what I knew, but I cautioned him to get the money back as soon as he could.

That is the last I heard of this man. I feel sure he is busy doing something; whether it is good or bad remains to be seen. What a pity it is that a fellow with such initiative and ability should not turn it to good instead of bad account.

The World Grows Better

I HAVE not let such things as this make me think that conditions and people are getting worse instead of better. In many directions there are vast improvements. One instance of this is the difference between the better class of lumber camps and living conditions as I knew them as a boy in the Canadian woods.

Then our stores consisted of fat salt pork in barrels, flour and peas. A few years after I started beans were added to the list. Tea was supplied to anyone who wished to pay \$1 a month for it. Occasionally a few sacks of potatoes were sent in before the cold weather came. No other vegetables of any kind were used.

The result of this monotonous diet was that in the spring of the year we had men

laid up with the disease called "black leg." This is similar to the disease the Japanese and Chinese are afflicted with on board ships. It is called "berberi" and is caused by the constant use of rice.

Another disease that attacked many of us

or they would have to be led. Even a candle did not help out, as it gave no light to those afflicted. By eating small pieces of cheese or drinking milk a complete cure was effected within five or six days.

A big box was kept in each camp, called, for short, a "van," properly "vanjouterie." In it were the tobacco and necessary clothing that might be required. Our complete line of medicine consisted of the following: Radway's Ready Relief, salts, castor oil and sticking plaster. These were supposed to cure all the ills that the lumbermen of those days were afflicted with—and I must say that the men were a strong, healthy lot.

What a pity that employers should neglect the welfare of their men! It was to their own hurt, for men afflicted could not do the work that perfectly well men could. Men in our camps nowadays are never troubled with "black leg" or "night blindness." They are as well fed, and with as good a variety, as the people in our city homes.

Contrast the above with conditions at Dollarton, B. C., where we located the mill which supplies our China trade. We laid out the village carefully and built houses for our employees; these we consider to be the best workingmen's houses to be found anywhere. Each house has a garden, and the rent of \$15 a month includes water, electricity and wood. A post office with a daily mail service had been established. Dollarton has a school and a church, the minister being on our pay roll. It is a very happy and contented community.

The knowledge of these things gives me great satisfaction. But, as I have said before, I do not feel any self-glorification for the success that has attended my ventures. It must be ascribed to the kindness of Providence, and also to the wise counsel and help of my wife. I have made tangible thank offerings for my good fortune in the support I have given to educational and religious activities, both in this and other countries.

In Closing

IN CLOSING I want to quote the note I made at the end of my diary in 1920: "Above all the years of my life, this one certainly takes first place in my earnest and sincere thanks to God for all the blessings he has heaped on me and mine. We have had abundant pleasure and happiness and have all enjoyed the best of health; and as to prosperity and success in all our undertakings, we must thank the Giver of all good for success beyond our most sanguine expectations and desires. All of our steamers have run without accident, in fact it is remarkable how free all have run for so many years, so we can say from the heart, 'Thank God from whom all blessings flow.'"

I feel grateful that I was able to work as hard and accomplish as much as I have since then.

Editor's Note: This is the fourth and last of the series by Captain Dollar.



Wheelbarrows under full sail in China. The coolies make the wind help them bring their freight to market

before we could get a change of food was what we called "night blind." As soon as the sun set we would become totally blind until after sunrise. All those so afflicted would have to be back in camp before sunset

THERE is an impression in many quarters that after the passage of the La Follette Bill, Captain Dollar changed some of his ships to British registry. An editorial reference brought forth this letter from Captain Dollar:

In the editorial section of your July issue I find the following remarks:

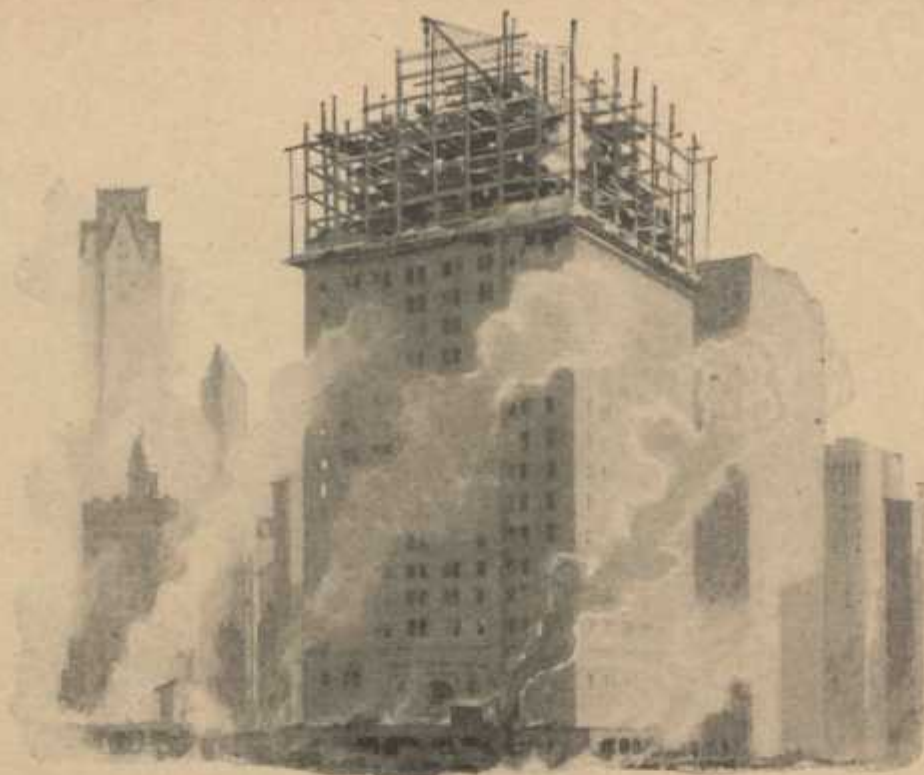
"Not at all complimentary to the Captain. Several find fault with the fact that he changed his ships from American registry."

You say there is an explanation as to why this was done. You can't make any explanation as this statement is not true. It was made first by Mr. Fursuth and copied in many papers. I did not think it worth while to correct it, as all shipping men knew it was untrue. I never changed the registry or nationality of one of my American ships, and I defy any man to name a ship that they claim I changed.

I only write this for your information as it is immaterial whether the statement is corrected or not.

Today our companies own six British steamers, ten American steamers, and fourteen large American sailing vessels.

We reproduce the letter in the hope that our readers will be set right as to nationality of the Dollar fleets.—EDITOR



CUTTING THE COST OF CONSTRUCTION

THERE are three divisions of a building operation where management and ability can effect economies. These are—architectural design, purchase of materials and building construction. Because our organization performs and coordinates each of these functions, we have greater opportunities to make savings than otherwise would be possible.

Architectural Design

Having the privilege of consultation with our estimating and construction divisions, our designers are able to develop the type of construction which will be the least expensive for a satisfactory building of the kind desired.

Our architectural division has attained a standard of accuracy and practicality in drawings and specifications which enables us to absolutely guarantee the owner protection from extras during the course of construction.

Purchase of Materials

Our customers receive the full benefit of the

low prices and prompt deliveries resulting from our large purchases and ample credit. Owing to the national character of our business, there is the added advantage of familiarity with markets throughout the country.

Building Construction

The Construction Division studies and advises in regard to each building during the development of plans. Therefore, before starting work it is in thorough accord with the designs and details of each project which it undertakes to build.

Due to long experience, dependable drawings and specifications, competent superintendents, and the prompt delivery of materials insured by a department organized for the purpose—our construction progresses with a precision and a dispatch characteristic of undertakings conducted on a business basis. Our aim is for speed without added expense and economy without cheapening the product.

BANK AND OFFICE BUILDINGS DESIGNED AND CONSTRUCTED

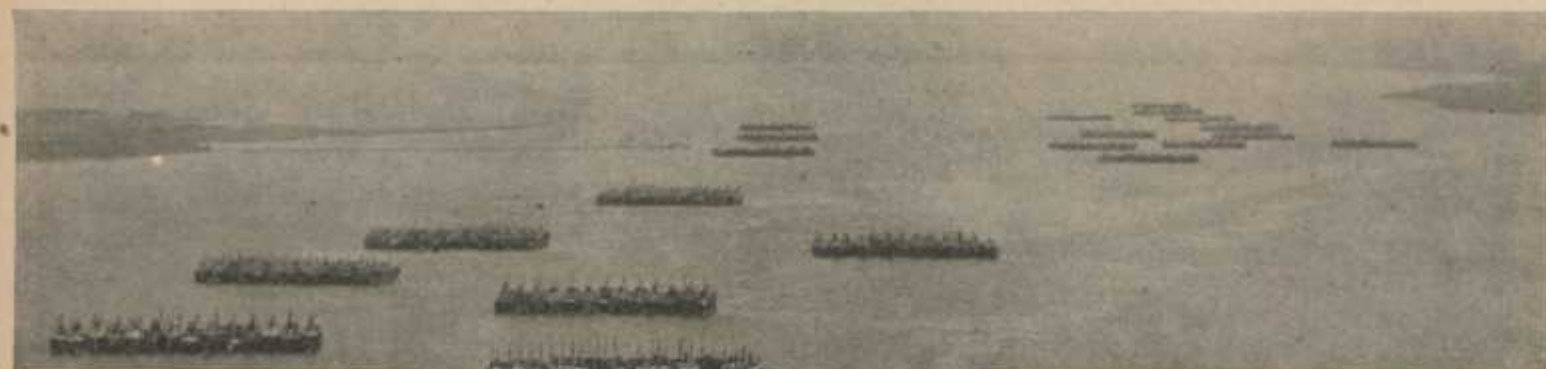
HOGGSON BROTHERS

NEW YORK

CHICAGO

Ships That Stay at Home

By JOHN BURNAM



TWO AMERICANS were leaning over the rail of a steamer coming into New York harbor. One of them, a middle-western merchant, surveyed the fine freighters at anchor on all sides. Many were of his own nationality, and the sight brought a patriotic thrill which he confessed to the other man. "It's great," said he, sticking out his chest, "to look at these huge ships and think of them carrying the old flag to every port of the Seven Seas, and all that sort of thing. I can see 'em steaming into out-of-the-way harbors loaded down with Illinois bacon, Kansas wheat, Pittsburgh steel and Detroit automobiles—carrying American products to all the foreign markets! It makes me proud to be—"

By this time his companion was smiling. "Not so fast!" he exclaimed, "I happen to be a shipping man, and I know what those ships are doing. They are doing nothing. It has been months since they have been to sea. They are not carrying American goods or any other goods. I would feel a lot better about our merchant marine if I didn't know that there were so many ships anchored in their home ports with only watchmen for crews. There are literally miles of vessels tied up, deteriorating every minute they are idle."

I have repeated this story to bring home to the American business man the two great facts about our shipping problem. We have a merchant marine—that is, we have the tonnage. What we must now do is put it to work at sea.

The Government of these United States owns about 7,000,000 gross tons of shipping. Of this huge fleet some 4,500,000 tons are tied up. And this does not take into account the wooden ships.

Those wooden ships! If they weren't such a financial tragedy they would be amusing. They simply represent a war idea that looked good on its face, and coming at a time when almost any experiment was worth trying, it was put into effect. These ships might as well be left out of account when we start figuring on the size and composition of merchant tonnage that we shall have when the ships get into active commerce.

That wooden ship fleet is the white elephant of our merchant marine. The Shipping Board is still trying to find a way of disposing of it. The ships can't be sold, because there is too much desirable tonnage to be had at bargain prices; they can't be operated because there isn't enough business for good steel steamers; they can't be scrapped be-

Official Photograph, U. S. Navy.

cause it would cost more to take them to pieces than they are worth; they can't even be sunk, since they would then become a menace to navigation! We might as well smile sadly at the wooden ships and pass on.

Of the Government's 7,000,000 tons there are 2,500,000 gross tons at sea and doing useful work. Many of these ships are being run on strategic trade routes by order of Congress. Their operation, with the other expenses of the Shipping Board, is costing the American taxpayers about \$50,000,000 a year. You business men who are chafing under heavy taxation can bring the shipping problem home to your own pocket-books by getting this item of cost firmly fixed in your minds.

The tonnage laid up in the different ports is divided thus according to Shipping Board figures:

	Gross tons
Cargo vessels	4,000,000
Cargo and passenger	125,000
Tankers	400,000
Total	4,525,000

That does not take into account the wooden ships and other undesirable classes. If you insist on adding them, there is a further item of 700,000 gross tons comprising the wooden, composite, concrete, etc., which are also idle.

But it is the four and a half millions of steel tonnage that really counts, and as long as the ships are simply pulling at their anchors they are not doing the country any good and they are not doing themselves any good. The item of depreciation is considerable. When the ships were laid up, every precaution was taken to protect and preserve

them. Watchmen were put aboard to look after the property. But idleness is no better for a ship than it is for a man. Weather, rust, thieves and other destructive agents are always busy, and when the fate of the steamers is finally decided there is going to be a heavy bill for putting them back into condition.

Ask any manufacturer what it would mean if he built a factory costing around \$1,000,000 and allowed it to lie for many months without running the machinery. Expensive repairs would have to be made before he could start the wheels turning again; and the deterioration is probably more rapid in a ship that must ride all sorts of weather, with salt water under her. It would be impossible to estimate the total cost of putting our fleet back into perfect shape. In the first place nobody can tell how much longer the ships will have to stay idle, in the second place a complete survey would have to be made before any sort of dependable figure could be arrived at. The only thing we can be sure of is that depreciation works twenty-four hours every day and the sooner the ships are put to work again the better it will be for them and for the taxpayer.

Then There's Private Tonnage

THE reader should bear in mind the fact that all the figures I have cited refer only to government owned ships. There is a considerable tonnage under the American Flag owned and operated by private corporations. Leaving out lake and river craft, we have about five and a half millions of gross tons in private hands. Much of this tonnage is also laid up—estimates put it at around a million gross tons. Business conditions are such that there are no profitable cargoes for these ships. Add this million tons to the Government's idle fleet and we have 5,500,000 gross tons, anchored and useless in the harbors and rivers of the country.

I don't believe that the most hardened advocate of Government ownership will contend that the Government can successfully operate its fleet. The Shipping Board was not intended to operate ships. When the war came along ships were being built in feverish haste. Time was the great factor, and there was little regard to cost. There was no agency but the board to operate the ships, and they were accordingly turned



Panorama of part of Weyerhaeuser operations at Cloquet, Minnesota



THE longevity of lumber and the service it renders are largely dependent on correct seasoning. Weyerhaeuser mills have long recognized the importance of this. In the selection of their drying yards and in the building of dry kilns every factor that enters into the science of wood seasoning has been considered.

Take, for instance, the seasoning of Idaho White Pine thick finish at the drying yard of the Edward Rutledge mill. This stock is used for pattern making and other high class products. A special drying process is necessary to secure a superior product.

As the thick selects come from the green chain, the ends are sealed with Parowax, applied by an electric blower. This prevents too rapid drying which is often the cause of end checking.

The picture above shows the method of piling 10/4 and thicker selects in the seasoning yard. A one-inch cedar board, varying in width from eight to ten inches, is placed on top and on bottom of every piece of White Pine. This is termed "wrapping" and is done for the purpose of retarding the drying and thus preventing the formation of defects. Cedar is used because it will not stain.

Between each layer of wrapped selects are placed stickers to permit the circulation of air in the pile. In the center of the pile a chimney is left which helps to secure equal ventilation throughout the stack.

Are You Looking for Boards or Lumber Service?

PURCHASING agents for industrial plants will tell you that their chief difficulty lies in finding concerns they can depend upon year in and year out. That what they want is promptness, precision, a uniform product and a continuous service.

The Weyerhaeuser organization years ago discovered that meeting the present-day needs of American industry efficiently meant a more advanced kind of lumber merchandising—broad policies, specialized service, distributing yards nearer the market from which emergency shipments could be made, and an organization tuned to giving its customers exactly what they wanted, when they needed it, and in the shape they required it.

TODAY the Weyerhaeuser Sales Company makes possible a new service in lumber to industrial buyers.

Available through this organization are:

Seventeen immense stocks of lumber, including fifteen different kinds of wood.

The combined resources of fifteen complete lumber manufacturing units and two great distributing plants.

Structural timbers for industrial building.

Lumber for boxing and crating.

Factory grades for remanufacturing purposes.

A corps of salesmen trained to think as purchasing agents and buyers have wished for lumber sellers to think.

IT IS not the aim of the Weyerhaeuser Sales Company to furnish a car of lumber now and then to every industrial concern in America. But rather to deliver a complete service—something more than mere boards—to a smaller number of permanent customers.

The Weyerhaeuser Sales Company distributes Weyerhaeuser Forest Products through the established trade channels. Its principal office is in Spokane, Washington, with branch offices at 208 So. La Salle St., Chicago; 1015 Lexington Bldg., Baltimore; and 4th and Roberts Sts., St. Paul; and with representatives throughout the country.

WEYERHAEUSER FOREST PRODUCTS SAINT PAUL • MINNESOTA

Producers of Douglas Fir, Pacific Coast Hemlock, Washington Red Cedar and Cedar Shingles on the Pacific Coast; Idaho White Pine, Western Soft Pine, Red Fir and Larch in the Inland Empire; Northern White Pine and Norway Pine in the Lake States



over to it. The experiment has been most convincing.

If the Shipping Board had been from the start composed of the world's greatest shipping men, it is certain that they could not have operated successfully so great a fleet as the Government owns. There is no organization on the face of the earth that could have done it. Our friends the British know something about the shipping business. They have been in it hundreds of years; their people, having the sea close at hand on all sides, take naturally to the business. But let us see what they do when they have a great fleet to operate.

The largest shipping organization in that country has several hundred steamers under its control. But it does not attempt to operate them all with a single corporation. The intricacies and hazards of the business are such that the fleet is broken up into smaller units, each of which is run by a separate organization. These different companies are answerable to the central controlling body, but the subordinate concerns handle all the detail work and actually run the ships. You would understand how necessary this is if you could get a picture of the international complications which make up the everyday routine of a ship's existence.

If a private British concern with years of experience and a well-trained personnel finds it impossible to operate as a unit a few hundred thousand tons, what chance has a government body in operating the greatest single fleet the world ever saw?

Our merchant marine was built to meet a war crisis, and little thought was paid to keeping a balance between the different types. Ships were necessary to carry supplies to the battlefields of Europe, and the most urgent need was for freighters. So freighters were built, and with a rapidity that will always stand as a record to American ingenuity and industry. But now that tumult and shouting has died down—at least the war tumult and shouting—we find that we have on our hands an unbalanced merchant marine. Our need is for more ships of the

faster types, both passenger and freight. They are useful in peace, and absolutely essential in war.

Our ocean-going fleet as at present constituted divides up as follows (private shipping included):

	Gross tons
Slow cargo	7,500,000
Fast cargo	2,500,000
Combination passenger and cargo ...	600,000
Fast passenger	100,000
Total	10,700,000

Place beside this the fleet that the Shipping Board has estimated as an ideal for this country and the oversupply of slow ships becomes painfully apparent. We figure that an evenly balanced fleet of merchantmen, one able to take care of an equitable half of our present foreign trade, ought to be made up about as follows:

	Gross tons
Slow cargo	3,600,000
Fast cargo	1,250,000
Combination passenger and cargo ...	750,000
Fast passenger	400,000
Total	6,000,000

Uncle Sam realizes that he must get out of the shipping business and get his vessels into the hands of private operators. The courses he has open are discussed on the editorial page.

The King Can Do No Wrong

IN 1918 a British and a Portuguese vessel were in collision on the high seas, the fault being clearly with the Portuguese vessel. Subsequently, when the Portuguese vessel put into an English port, the owners of the British vessel brought suit for the damages they had sustained. The Portuguese Government moved the court to set aside the writ on the ground that the offending vessel was a public vessel belonging to the government of the Republic of Portugal. The court complied,

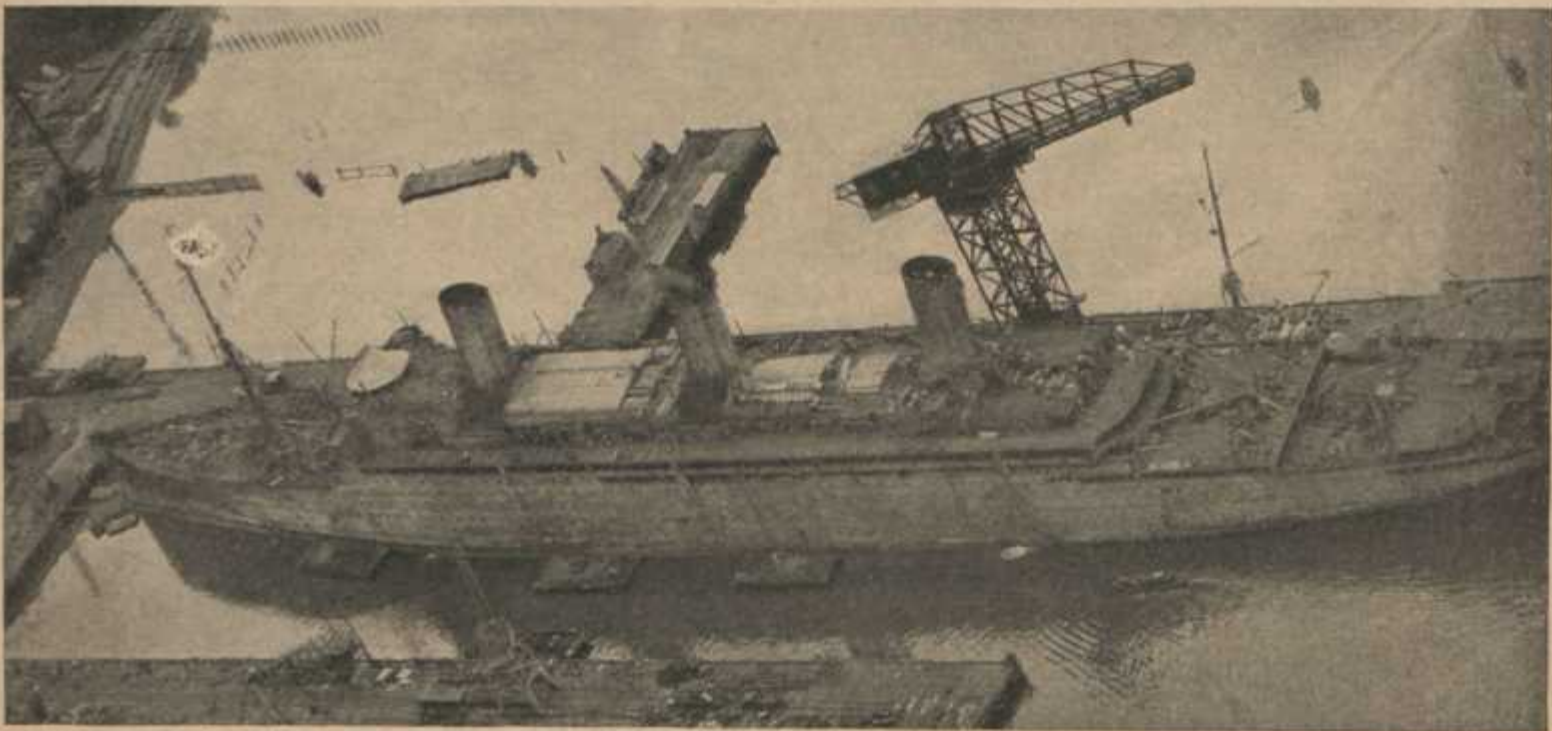
holding that it had no jurisdiction to entertain the suit.

Not long afterward two Liverpool tugs salvaged a Portuguese vessel in the River Mersey. Suit was brought by the salvors, but the writ was set aside because, as before, the salvaged vessel was state owned. During the war a Swedish ship being in the service of the American Government collided with another vessel. Suit was brought by the owners of the vessel that was run down, but upon the suggestion that the ship was in the employ of the United States Emergency Fleet Corporation, and that that corporation was a branch of the United States Government, the court ordered the case to stand over until the question as to whether or not the Fleet Corporation really was a branch of the United States Government had been determined.

On turning to this country we find that in 1905 on the Mississippi River the steamer *Esparta* collided with the United States light-house tender *Magnolia*, then carrying the President of the United States, and caused considerable damage. The United States brought suit against the *Esparta* to recover payment for damages sustained by the *Magnolia*. The court held the *Magnolia* solely at fault and dismissed the suit, a decision that was sustained upon appeal by the Circuit Court of Appeals.

Burdened with costs and disbursements and counsel fees, the owner of the *Esparta*, free from blame and a sufferer from the collision, and having no status in a court, has been unable to recover any compensation.

It will be recalled that when the White Squadron made its memorable voyage more than half around the world, because we did not have suitable ships under the American flag that were available for the purpose, foreign ships were chartered to carry supplies for the fleet. Among these was a Norwegian ship carrying coal. At Panama the master of the ship was notified to lay his ship alongside a warship while coaling. The master, conceiving that method of coaling to be dangerous, protested in writing, but the



Official Photograph, U. S. Navy.

A bird's-eye view of the "Leviathan"—or it might be more accurate to say a "birdman's eye view"—since the picture was taken by a navy flier. The huge liner was snapped as she

was being warped into her berth at the Newport News Drydock and Shipbuilding Company where she will be refitted for passenger service. The last trip of this ship was in 1919



The youngest man enrolled yesterday is 22
and bookkeeper in a Trust Company



The oldest man enrolled yesterday is 60
and Treasurer of a successful corporation

One is 22—the other 60

Both Enrolled in the Alexander Hamilton Institute the Same Day

IN salary, in age and income, there is a business man whose business situation is almost precisely like yours.

Yesterday that man enrolled for the Modern Business Course and Service of the Alexander Hamilton Institute; every day men like you are enrolling; and in that way are shortening their path to increased income and business success.

A single day's enrolments

One day's mail brought in enrolments representing youth and middle age, and all degrees of position and salary. Glance at the two pictures at the top. One represents the youngest man enrolled that day in the Institute—alive, alert, twenty-two years old and determined to be *something* and *somewhere* at thirty.

The other is the oldest man enrolled that day—treasurer of a corporation, giving satisfaction to his directors but not satisfied with himself. He has determined to know the essentials of the other departments of business as well as his own.

That same day 611 men asked for fuller

information about the Alexander Hamilton Institute by clipping a coupon like the one below. Can you afford to let these 611 men secure a business advantage over you? Isn't it worth while to make the little effort required to clip the coupon and get the facts?

Just what will the Institute do for me?

This is what the Institute does! By texts and lectures prepared by business leaders, by practical business problems, and personal guidance, it gives you the principles and practices of each department of modern business.

It takes the practical experience that you have in one department and adds to it the working knowledge of all the other departments to fit you, as an executive, to understand and direct the work of men in those departments.

Practical experience alone, taking you from one department to another, would give you that training in *years*; the Alexander Hamilton Institute offers it to you in *months*. And the record of the men it has enrolled is evidence that its training *does* train.

You are paying whether you accept or not

The cost of the Modern Business Course and Service is a little investment in money and time. But think of the price which those men pay who do not secure business training.

Think of the years of routine progress or petty salary increases when the progress

might be rapid and sure. Think of the opportunities that pass by because men have not the knowledge and self-confidence to reach out and grasp them.

Six hundred and eleven men wrote in one day for the facts. Will you invest a two-cent stamp in your future as these men did in theirs?

Send for this book

All the facts about the Modern Business Course and Service and the answers to every question you are likely to ask are contained in a 118-page book "Forging Ahead in Business." It is a valuable addition to any business library, yet you can read it in a single evening. A copy will reach you entirely without obligation on receipt of your name and address; merely fill in the coupon and mail.

Alexander Hamilton Institute
550 Astor Place, New York City

Send me "Forging Ahead in Business" which I may keep without obligation.



Name..... *Print here*

Business Address.....

Business Position.....

Canadian Address, G. P. R. Building, Toronto; Australian Address, 42 Hunter Street, Sydney

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protest was overruled. By reason of the heavy swells the freighter was badly damaged during the process of coaling. Notwithstanding, the master was ordered to take his vessel to another warship and go through the same operation, resulting in further damages to his ship.

A board of naval officers investigated the damages sustained by the Norwegian ship and held that the ship was entitled to full compensation. Having made temporary repairs, the freighter was directed by naval authorities to proceed to Mare Island Navy Yard to complete the repairs. On arriving there the master was told that there was no legal authority to repair the ship at the navy yard. Meantime a survey had been made of the ship, participated in by a naval constructor. Tenders for making repairs were approved by the Navy Department, and the ship was repaired at an expense of over \$19,000.

Suit was brought by the owners in the court of claims, but the suit was dismissed on the ground that the action was one of a sort in reference to which the Court of Claims was without jurisdiction. Finally, by a special act of Congress eight years after the damage had been inflicted, the owner was paid \$13,561.88, which did not cover the cost of repairs, and, of course, did not provide for counsel fees or interest.

In fifteen cases of similar character where relief was granted by a special act of Congress it required from two to five years to get the appropriation through Congress. In one case the accident occurred in 1866, and the appropriation for the settlement of damages was not passed until 1905.

Therefore every owner of a vessel, including every yachtsman, should give to a vessel of the United States Navy, the Coast Guard, Lighthouse Service, government tugs, lighters, dredgers and the like a wide berth in a harbor or at sea, because no matter how obviously at fault any of these government vessels may be, if he is run down he must pocket his loss, or humbly crave the aid of Congress in obtaining redress which will be only partial.

On the other hand, the Government will promptly proceed to bring suit against the private owner, if there is the slightest suspicion of culpability on his part respecting any damage his vessel may have done to a government vessel.

Why is this?

Because "the king can do no wrong."

The British Sovereign cannot, against his will, be made subject to the jurisdiction of his own courts by any form of procedure. Here in the United States, since we early adopted the English common law, substitute Government for British Sovereign, and at once you understand the reason why an American private vessel owner is remediless in the courts of his own country when his government has damaged his property.

Two years ago the Chamber of Commerce of the United States appointed a committee that presented a bill to Congress establishing the right of private owners to their day in court. The House Judiciary Committee in February, 1921, reported the bill, but it failed of passage because it was not reached.

The new House Judiciary Committee was preparing again to report the bill when it was held up at the request of the Attorney General's office despite the fact that every department of the government concerned, including the representatives of the Department of Justice of the previous administration, has approved the bill. The Attorney General, after delaying action for many weeks, still seems unable to determine whether he approves or disapproves the measure.

Meantime, the subject is being agitated in England, and it is probable that an international conference will be held in London to consider the matter this coming autumn.

The National Chamber, at its last annual meeting, adopted a resolution on the subject which says that "There should be action by our Government not only with regard to its own obligation in these respects, but also for the purpose of having other governments adopt similar principles as to damages caused by their vessels."

The principle of equality as affecting the state and the individual is no new development in the law. Many years ago Justice Story declared that the Constitution gave Congress the right to provide an adequate remedy in the courts of the United States for all private claims against the government. Contract claims have been given a court status by the establishment of the Court of Claims by act of 1865. A recent appropriation bill authorized the Navy Department to adjust claims arising upon damages caused by navy vessels up to \$500. The act establishing the United States Shipping Board provides that the government-owned vessels controlled by the Board shall be subject to all laws and liabilities governing merchant vessels. Under one of the emergency war meas-

ures, which conferred upon the President authority to take over private vessels at that time under construction, the Supreme Court held that such vessels were affected by the provision of the earlier Shipping Board Act.

So that, while a claim against the government arising upon a contract, or upon a tort committed by a Shipping Board vessel, may be prosecuted in court, a claim arising upon a wrong committed by any government vessel, other than a Shipping Board vessel, may not be.

They do these things better in "effete" countries like France and Germany. Generally speaking, over there no distinction is made between suits against the government sounding in tort or founded upon contract. Even in England the limitations under which we deny a day in court are got around by permitting a suit, in a collision case, for example, to be brought against the navigating officer of the offending government vessel, whereupon the solicitor of the Treasury appears for the respondent, and if damages are assessed, the government pays the loss sustained by the private owner. In these backward countries claimants don't have to lobby their claims through national legislatures, and wait years before they get even a portion of what is due them.

Trades "Try-Out" Towns

By RALPH BARSTOW

YOU WILL recall that there are certain cities in the United States that are used by theatrical producers as places where they try new plays before they are sent in to New York. Hartford, Connecticut, Rochester, New York, and Atlantic City, New Jersey, are notable examples, and the practice is referred to, in the slang of the profession, as "trying it on the dog."

Of late years, this activity has been used as a guide by some manufacturers to a similar practice in the testing out of sales campaigns before they are launched on the entire United States.

The amount of money involved in a nationwide sales campaign, with its attendant advertising, is a tremendous sum. The payroll for sales people from the store-display man, on through the missionary, the crew manager, the division manager to the home office executives is a very large sum, and the expenditure for newspaper advertising, car cards, billboards, national magazines and subsidiary items looks like the national debt of some of the small Balkan countries.

Manufacturers consequently plan their sales campaigns very carefully indeed and measure the results of their expenditures with equal care. If one item does not seem to produce, it is either dropped entirely or amended until it gives satisfactory returns for the money involved. Where the printing item alone for one window display may amount to \$25,000 it is obvious that, before so much money is irrevocably spent, it must be tested in a local way to determine if it is right.

Test campaigns are rapidly coming to favor and are made by the manufacturer in some well-chosen city, just as the theatrical producer selects a try-out town for a new show.

Different articles of merchandise require different conditions to find the normal reaction, but there are certain general rules that are followed in the selection of the test town.

Manufacturers seek, as a general rule, an independent city rather than a satellite city. The presence of a very large city too near the test place will becloud the results because too many extraneous elements enter in.

Shopping, for instance, may go partly to the larger city, thus weakening the relation between the retail store in the test town and the consumer. A general, even break-up along racial lines is sought, for a preponderance of any one element with its attendant influence on the retailers will throw the results out.

The place sought is usually a city of at least 50,000 people, with not more than two good newspapers of general circulation (preferably one morning and one evening, but that is not absolutely necessary), a good street car system with plenty of riders, high-grade billboards, real jobbers or close jobbing connections (if the merchandise is to be marketed through jobbers), and a proper diversity of retail stores. The city should have some general manufacturing but should not be a "one-industry" place; it should have a real home population, the minimum of "slums," and it should draw from a trading radius of some miles, so that a test can be secured from the suburban and farming territory at the same time. Roughly, these are the characteristics sought by the manufacturer in making his test.

His sales department will have the campaign completely outlined on paper, including all details of advertising; men will be trained just as carefully as if they were at work on the real national campaign, as indeed they are, for the men who make the best showing in the test will be given the responsible positions when the time comes to "break" the campaign on the entire country.

Advertisements are written, cards and displays printed, all in sufficient numbers to take care of the test town, and then the printing is held up to see if any changes are to be made. Contracts are made with the local newspapers, jobbers are stocked and the initial missionary crew sent to secure as near 100 per cent distribution before the advertising is released as is possible. All of these activities are synchronized with the same care that artillery preparation was timed with infantry advance in France. Each step of the way is programmed as to date and sometimes as to hour. Store windows, for in-

stance, must all appear at once and coincident with advertising in papers and street cars.

Poughkeepsie, because of its comparative nearness to New York City plus its very nearly complete freedom from dependence on New York, is frequently chosen as a try-out town by New York manufacturers. A medicinal preparation was recently tested there, and the results were extremely gratifying to the druggists, the local papers and the manufacturers, who reported over 500 people coming into one drug store in one week for the product! This campaign produced nearly enough profit to pay the cost of the work, but this is unusual.

A Cleveland, Ohio, coffee manufacturer used Sandusky, Ohio, for his test not long ago. Sandusky is near enough to Cleveland to give close touch with the home office, so that all the members of the sales and advertising departments who need to could be present and take part in the work. This is very important. One phrase may go against the grain with the retail stores, and it can be changed in twenty-four hours and any difference noted. Store demonstrators can be watched by the managers, who can mingle with the crowds and listen to both the demonstration and the comments of the customers. This was especially true of coffee, a food product where people are reached through their senses of taste and smell.

Once in a while a manufacturer will try out in his home town. This was the case in Minneapolis where the "Twin Cities" were used by a food-product manufacturer located in Minneapolis, and an even braver attempt was made by a cleansing products manufacturer located in Chicago when he tackled that sizable city before he went at the whole country. As a rule, however, a city as large as Chicago offers too many expensive handicaps for a try-out, unless the nature of the product demands a large number of outlets that cannot be secured in a smaller city.

A summer drink will require the proximity of some well-patronized resort that is frequently crowded to give the full result desired, and small wares, such as hair nets, cannot be tested well in small cities.

Such campaigns work to the benefit of the city chosen because of the additional money put into circulation, the very genuine stimulation of retail business and the subsidiary increased volume for the jobbers serving the territory. Consumers get the newest products, merchandised in the best possible way.

Statistics on the number of retail stores in lines are compiled beforehand:

Department Stores.	Jewelry Stores.
Men's Wear Stores.	Furniture Stores.
Women's Wear Stores.	Specialty and Gift Shops.
Drug Stores.	Stationery Stores, etc.
Hardware Stores.	

Interurban car routes are studied to see what transportation facilities are afforded the outlying trade. Any special features, such as rentable electric signs, lantern-slide concessions in the motion picture theaters and possible tie-up with fraternal organizations, are listed to be used if possible.

Try-out campaigns usually last a week; sometimes they are extended to test the effect of weather conditions, as, for instance, in the case of the manufacturer of a new umbrella who waited three weeks before he could get his much-desired bad weather! But these are specific conditions, and every manufacturer is well aware of the peculiarities of his own business.

Try-out work, the only way to make laboratory tests of sales and advertising plans, is rapidly becoming the general practice.

Stone & Webster Stability Means Economy

Good management in engineering and construction comes from years of co-operation and team-work.

The twenty-five principal officers and executives of Stone & Webster organization have worked together for an average of 21 years. Fourteen have served the organization for 25 years or more.

The result is economy and speed.

STONE & WEBSTER

INCORPORATED



BOSTON, 147 Milk Street
CHICAGO, 38 S. Dearborn Street
SAN FRANCISCO, Holbrook Bldg.

NEW YORK, 120 Broadway
CLEVELAND, Leader News Bldg.
PITTSBURGH, Union Arcade

Better Times Are Assured by Fat Crops, but Industrial Wars Hinder the Recovery of Business

BY ARCHER WALL DOUGLAS

ONCE more the sequel of a wet spring is an abounding harvest that is the sure and solid foundation for the better times that lie ahead of us. The harvest of winter wheat is about over at this writing and that of spring wheat is on, with a resultant total yield probably slightly more than last year. There has already been gathered an enormous production of fruits and vegetables and there is much more to come. Year by year these two health-giving foods increase in importance as sources of revenue to more

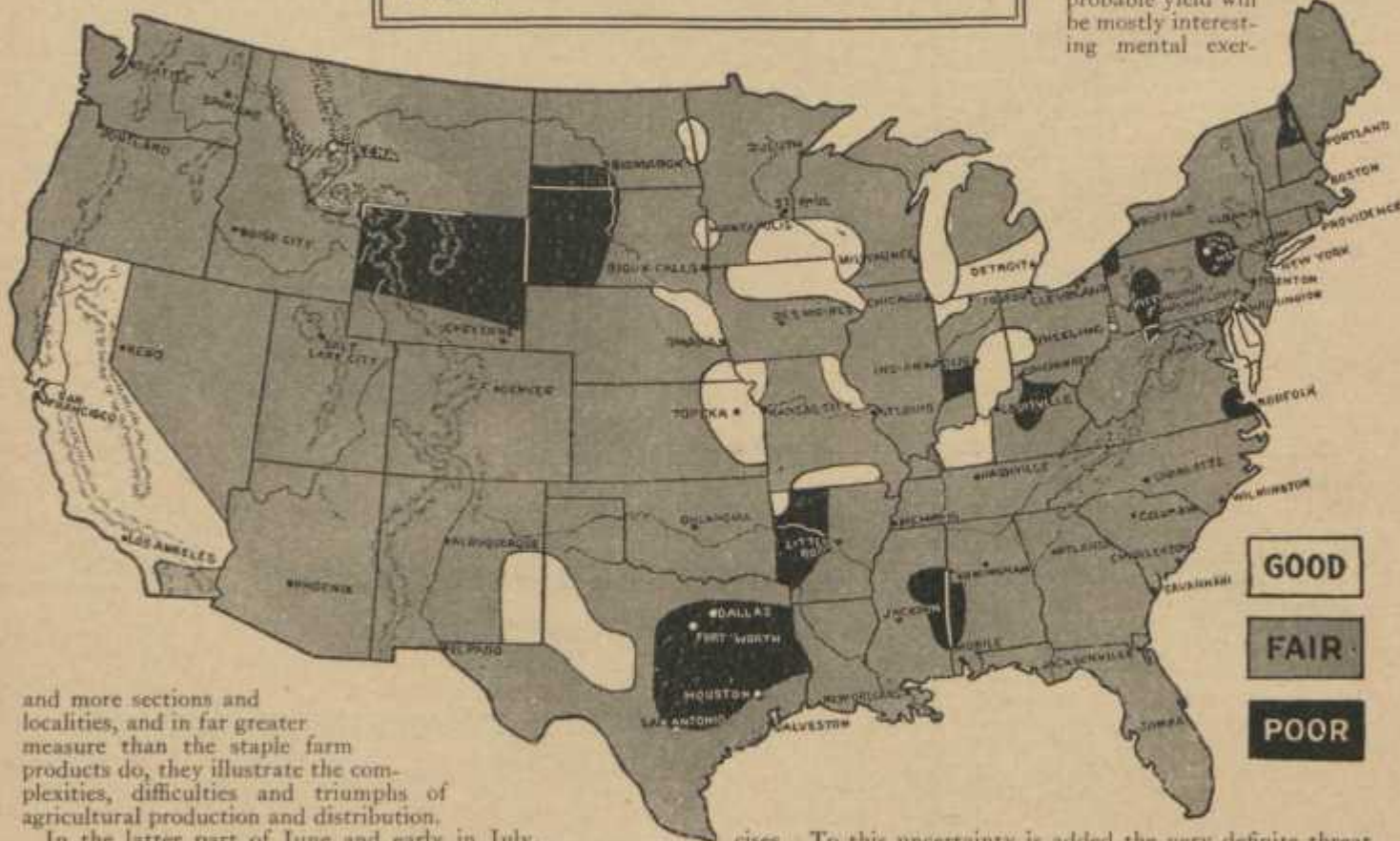
map coloring has changed from "poor" to "fair," with hopes of possible further improvement as the season lengthens.

Any statement as to cotton must be subject to revision the next day, but at this moment the acreage is about 10 per cent larger than last year, and the condition varies from most promising "good" to most precarious "poor," not only in the same state but often in the same county. This variation will continue until there is settled weather for a continued period of time, and, until such happening, guesses of the probable yield will be mostly interesting mental exer-

Business Conditions, July 15, 1922

THE DOUGLAS MAP shows at a glance the general conditions of the country. Light areas indicate good crops, industrial activity, and "high pressure" buying markets. In the black areas these conditions are lacking. The shaded areas are half way.

In studying the map it should always be borne in mind that only actual conditions are shown; prospects are not indicated.



and more sections and localities, and in far greater measure than the staple farm products do, they illustrate the complexities, difficulties and triumphs of agricultural production and distribution.

In the latter part of June and early in July, general rains throughout the west and central west put a new complexion on a situation that was becoming serious because of the late start of corn all over the country and the widespread lack of moisture in practically all the surplus corn states. This same precipitation made certain the large production of foodstuff for livestock and gave new life to pastures and ranges.

Oats will be a short crop, but there will be plenty of Irish potatoes, which, in true parlance, are the poor man's staff of life. There will also be lots of sweet potatoes, beans, peas, pecans, rice, sorghum and sugar cane syrup, nuts of all kinds and that long list of good things to eat that cater to our omnivorous national appetite.

Livestock is generally in good condition and apparently will show some moderate increase in numbers this year compared with last, for the prevailing high prices of all meat animals are the best possible incentive to larger flocks and herds. Farmers are making special preparations to breed more pigs this fall, for hogs at \$20 and more apiece are very attractive and interesting animals.

Higher prices of sheep and of wool have put new life into the Great Plains and Plateau states of the west, and their consequent

cises. To this uncertainty is added the very definite threat of boll weevil depredations of very sinister possibilities. The bald truth is that the problem is as to whether we will raise enough cotton this year to take care of the world demand. The effect upon the prosperity of the south this fall as the result of this situation has been apparent since last September, but the problem is complicated at present by the question as to what states and what sections will succeed in raising enough cotton to share in that prosperity, and the answer to that question is still a long way off.

In the popular song, "That's Where the West Begins," there is one little omission of the many productions which tell of the incredible wealth of that great section; that seven states in the west-north central Minnesota, Iowa, Missouri, North and South Dakota, Nebraska and Kansas, in 1921 produced one-fifth in value of all the farm products in the United States, and that the great state of Iowa, like another Abu Ben Adhem, led all the rest, with Illinois second and Texas third. But Texas ranked first in the value of crops only, with Iowa first in animal products and Illinois second. Another combination of western states—Ohio, Indiana, Michigan and Wisconsin—stood second in combined values of all farm products.

(Continued on page 46)



The most popular man in America

Suppose you were the most popular man in America. Suppose you were endlessly besieged with invitations to do this and do that. Suppose, when you made a public appearance, hundreds of people clamored to shake your hand, to attract your notice and your favor.

How many of the people that you met under these conditions would impress their personalities upon you? How many would say something you would remember? How many faces would you recognize if you saw them again?

You would remember the man who was in some way different from the run of men—perhaps through some attribute of appearance, perhaps some quality of thought or manner. But the great majority would be—just “people.” You might meet them repeatedly without knowing you had ever seen them before.

The consumer of merchandise is in the position of the most popular man in

America. Every time he opens the pages of his newspaper or magazine, scores of manufacturers and merchants step out to take him by the hand, to attract his notice and his favor. They talk to him about his needs; they invite him into their factories and stores; they urge him to compare their product with any other; they ask him to say this or that name when he is buying this or that article.

The successful advertiser is the one who does not forget that he is dealing with the most popular man in America. He does not forget that there are others in line who are trying as hard as he is to “get acquainted.” He realizes that to be commonplace is to be unnoticed—to be lost in the crowd. And so he goes for advertising counsel to an organization which has proved that it knows how to win the interest and the confidence of the most courted and the most sought after man in America.

N. W. AYER & SON
ADVERTISING HEADQUARTERS

NEW YORK

BOSTON

PHILADELPHIA

CLEVELAND

CHICAGO



Fire might have started in six places in this small shop

This particular Fire Prevention Inspection was not an unusual task for a Hartford engineer, but it did show that even smaller plants need constant watching and expert inspection.

The Hartford engineer found, for example, that open gas flames were being used in a room where inflammable vapors were being given off; that a "dry-box" needed cleaning out; that there were several piles of loose paper and straw in dangerous locations; and that oily rags were accumulating on the wood floor of the elevator pent house.

This inspection service was free to this Hartford policyholder.

Even if you are not a Hartford policyholder, we shall be glad to show you by examples how this Fire Prevention idea may be made practical. Write on your regular letterhead to

Department of
Special Service

**Hartford Fire
Insurance Co.**

Hartford, Connecticut
U. S. A.



*The Seal of Certainty
on a
Fire Insurance Policy*

*There is a local agent of the
Hartford near you. Shall
we tell you his name?*

All phases of industrial life continue to respond to the impulse given by the steady improvement in agricultural sections. Each industry, however, is still controlled by the individual factors affecting it. Textiles, for instance, are concerned in the problem presented by advancing prices in raw material, cotton, as to how it will be possible to maintain a volume of sales in face of a pronounced disinclination on the part of the consumer to pay higher figures for finished fabrics. To such an extent does this feeling prevail that there does not seem to be any immediate opportunity for either manufacturers or distributors to take advantage of a situation that usually offers profit on the appreciation of prices of goods bought at lower costs.

Building and construction grow both in volume and in additional territory in which they operate as better times and greater purchasing power spread to new sections of the country.

The coal strike at this writing is assuming a more serious situation as the summer wanes and the country realizes that some settlement must be had if an acute fuel crisis is to be averted before cold weather is upon us.

The most forbidding feature of the present situation is the industrial warfare which prevails in some of the most important industries. Capitalism, in some phase, seems to be the only available solution of the relations of employer and employee which we have at hand, as Socialism and Communism in their different forms have been tried and found wanting. The situation would seem rather hopeless were it not for two things: the supreme confidence of the general public that some way out will be found, just as there always has been in the past in all of our insoluble problems, largely because the common sense and good judgment of the many are better guides than the wisdom of the few; and also because there are enough successful examples of team work and mutual consideration between employer and employee to encourage the belief that this kind of thing can and will eventually find more widespread application. Meanwhile the general sentiment inclines to a showdown if it is necessary to demonstrate that no class will be allowed to be an exception to that readjustment which can only be had when all bear their share of the burdens.

Trade With Soviet Russia

A Digest of Foreign Press Comment

THE Department of Commerce issued recently a statement about trade with Russia intended to counteract existing misapprehensions. It has not been clear in this country that with the relaxation in part of the government control of domestic trade within Russia, the foreign trade has remained exclusively the controlled trade of the soviet government. This same matter was explained graphically in London a few months ago by Mr. Krassin, Chief of the Russian Trade Delegation in that city, in an interview in the *London Observer*, as follows:

For foreign trade, we have state control. That is a necessary restriction, not because Russia is communistic, but because the country has been so thoroughly exhausted by the war, by the civil war, by intervention, and by the blockade. . . .

Look at the position today. The pound sterling is equal to seven hundred thousand roubles. Countries with strong currencies could buy Russian raw materials and food-stuffs at absurdly low prices. The experience of Austria and Germany has proved it. With such a currency it is not possible for the Russian government to allow foreign firms to come into the country and buy our commodities for export without any sort of regulation.

Some formal governmental agreement between the Republic of Germany and Soviet Russia had been foreshadowed in a gradual resumption of those commercial and industrial relations which, before the war, existed traditionally between the two countries. Germany's geographical location favored not only travel and the introduction of German goods into Russia, but the development of an in-transit and entrepot trade of increasing proportions. The German merchant gained his reputation for adaptability and acumen in part by settling in Russian communities, studying the language, the people and the markets, participating in local business ventures, and establishing German products and German commercial predominance in the markets and minds of the Russians. That country provided the necessary raw materials, furnished an outlet for German production, and supplied a working class which, in en-

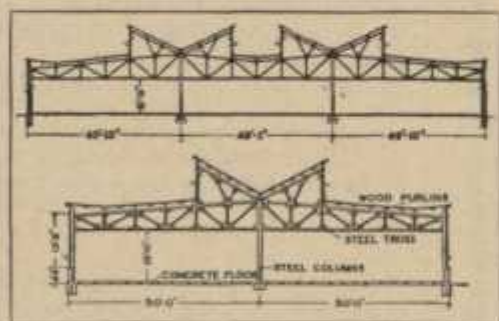
terprises under German discipline and direction, proved satisfactory.

According to *l'Echo de Paris*, Dr. Simons, former German Minister of Foreign Affairs, said that as early as 1919 efforts had been made to send a mission to Russia for purposes of commercial investigation. Tentative relations were suggested to Russian cooperatives and other indications given that the German Barkis was willin'. But it was not until early in 1921 that Russian trade, the charmer for whose favors so many anxious suitors had been watchfully waiting, showed any tendency to sit up and "take notice"; and it was then that Germany presented itself as the ideal *parti*, ready to enter into the alliance without undue scrutiny of the lady's past, without unreasonable demands in the way of marriage settlements, and without insistence upon the tiresome promise that she love, honor and obey. A commercial agreement was entered into in May, 1921, the bans were published to the world and the alliance was formally concluded in April, 1922—the honeymoon, according to the best tradition, being spent in Italy.

The preliminary economic treaty signed in Berlin May 6, 1921, not only formally opened up the way for definite diplomatic negotiations between the two countries, but removed former restrictions on German trade with the Soviet government. Provision was made in this agreement for the establishment of trade missions which were charged with all of the functions customarily undertaken by diplomatic and consular representatives. Inviolability of commercial agreements, submission of certain transactions to German courts and legal authorities, and respect for the property of German business men sojourning in Russia are some of the terms to which Russia was specifically bound. The German commercial delegation was charged with the defense of the economic interests of the German State and its citizens, and commercial missions were almost immediately established in Petrograd, in Odessa and in Moscow. Consulates were subsequently opened at Kazan, Bakou, Tiflis, Rostov, Batoun, Sebastapol, Kiev and Nicolaieff, ac-



A solid block of Ferguson Buildings at the NCR Plant. One of these buildings of more than 81,000 sq. ft. of floor space, houses one of the largest and best private print shops in the world.



The cross-sections above illustrate Ferguson Standard Construction for NCR Buildings No. 21 and 23. Your cost is lowest when Ferguson engineers use Ferguson Standardized Construction which insures definite quality and speed for your building project. Ferguson service also includes special design and construction to meet all industrial needs.



Interior of NCR building No. 21. Note daylight, unobstructed floor space; ample ventilation facilities; and the solid, permanent construction of the Ferguson Standard Building.



Meeting the Triple Demands at NCR with Ferguson Triple-Test Buildings—

SHREWD executives never place a building contract until the builder can give definite guarantees of,—quality in design and construction; speed in erection; and low cost.

How well Ferguson has met these demands can be shown by the construction history of The National Cash Register Company at Dayton. Today Ferguson has completed four contracts for NCR and a fifth is under way.

These buildings are the highest type of industrial construction.

Each contract was completed within 60 working days.

Owing to the standardized design and quantity buying of materials the costs were minimized.

These triple demands have been met for General Electric, Marmon, Showers Bros., Robbins & Myers and many other industrial leaders.

The Ferguson Co. is ready to meet your demands just as well.

Phone, wire or write today—be in time to get the added advantage of our large stocks of structural materials bought below present price levels.

THE H. K. FERGUSON COMPANY

Engineers and Builders

HAROLD K. FERGUSON, President

6523 Euclid Avenue

CLEVELAND

Telephone Randolph 6854

Ferguson

ONE OF AMERICA'S BEST BUILDERS

B

Chart showing what L.B. service accomplished for the Business Men's Assurance Co., Kansas City

Proportionate number of file clerks employed before calling in L.B.



After using L.B. service.



The sales curve took a definite upward turn with L.B.'s help



Chart shows the results of L.B. service in the offices of the Business Men's Assurance Company of Kansas City, writing accident, health and life insurance.

Sales went up, costs went down by asking L.B.

Library Bureau has discovered in thousands of offices, as it did in that of the Business Men's Assurance Company, unsuspected profits hiding in the files and card records.

It has shown sales managers that sales data—kept alive in a handy L.B. Sales record—can stimulate comatose sales in disquieting times. It has shown purchasing agents how an efficient stock record enables them to profit by current market conditions.

Another item which L.B. service affects is overhead. It shrinks with the elimination of time lost in hunting missing papers. It shrinks with the elimination of bulging folders, incorrect systems, inefficient arrangement of cabinets, overmanned file departments.

Every L.B. salesman is a trained man—an organizer with a primary interest in your problems. Why not telephone for a representative—today?

Send for booklet No. 505

"The Newest Force in Business Building"

Founded 1876
Library Bureau

Plans — Makes — Installs

Card and filing systems - Cabinets - Supplies

Boston

New York

Philadelphia

Chicago

Albany
Atlanta
Baltimore
Birmingham
Bridgeport
Buffalo
Cincinnati
Cleveland
Columbus

Denver
Des Moines
Detroit
Erie
Fall River
Hartford
Houston
Indianapolis
Kansas City

Louisville
Milwaukee
Minneapolis
New Orleans
Newark
Pittsburgh
Portland
Providence
Richmond

St. Louis
St. Paul
Scranton
Springfield
Syracuse
Toledo
Washington
Worcester

Distributors:
Dallas, Parker Bros.
San Francisco, Seattle
Portland, Ore., Oakland
F. W. Wentworth & Co.
Los Angeles
McKee & Wentworth
Salt Lake City, C. G. Adams

Foreign Offices—London Manchester Birmingham Cardiff Paris

The Six Big Divisions of Library Bureau Service

1. Special Service

Analysis Service
Indexing Service
Statistical Service

2. Specialized Departments

Bank Department
Government Department
Insurance Department
Library Department
Schools of Filing

3. Filing Systems

Alphabetic
Geographic
Numeric
L. B. Automatic Index
Russell Index
Subject

4. Card Record Systems

L. B. Sales Record
L. B. Stock Record
L. B. Card Ledger
L. B. Visible Record Files

5. Cabinets—Wood and Steel

Card index cabinets
Counter-height units
Horizontal units
L. B. Card record desks
Vertical units
L. B. Record Safe

6. Supplies

Cards
Over 1,000 styles of plain index and stock forms
Folders
L. B. Reinforced folders
Plain and tab folders
Guides
Plain, printed and celluloid
Removable label guides
Metal tip guides

cording to an item appearing in *l'Echo de Paris*. Arrangements were concluded for the resumption on customary international terms of telegraphic and other communications and of maritime commerce. The bars were definitely down and the German was rushing in where others had feared to tread. Publicists, merchants, financiers, promoters and engineers, in search of a story, a concession, a market, and, incidentally, a fortune, brought a land-office business to the newly-established passport offices. "Young man, go East," advised the Horace Greeleys of German journalism; and there are plenty to follow the advice.

In characteristic German fashion, plans for research, for study and analysis of methods which should be employed, went hand in hand with the more immediate business of order-getting. In Königsberg, which has certain advantages by geographical location and by commercial experience as a center for the development of Russia trade, an Economic Institute for Russia and the Balkan States has been established, through the cooperation of the East Prussian government, the city magistracy, the University and the chamber of commerce. From comments in the *Frankfurter Zeitung* it seems likely that, in connection with the Institute for Russian Information, it is aspired to make this new foundation an authority on all problems connected with Russian commerce, industry, publicity, culture, trade and traffic, and to constitute Königsberg the recognized point of departure for Russian investigation.

By way of carrying this commercial campaign into Russian territory, the Empire Alliance of German Industry has arranged with the People's Commissariat for Foreign Trade for the privilege of establishing in Moscow, in July, a trade exhibit of German products. The Moscow journal, *Ekonomicheskaja Schiza*, quoted in the Hamburg trade weekly *Weltwirtschaftliche Nachrichten*, lists the exhibits as consisting principally of agricultural implements and electro-technical, mining, woodworking, metalworking, and textile machinery. The *Frankfurter Zeitung* reports that complete installations of heavy industrial machinery will be shown in operation and demonstrated by "competent technical experts, fully authorized to conduct negotiations and conclude terms."

German authorities have for the past year been availing themselves of that clause in the Russian Economic Treaty which permits of commercial research on the part of the trade mission, and have sent to Russia as temporary "expert economic observers," such representative business men as Dr. Hugo, of the Empire Union of Import and Export Traders, Director Beuster of Stettin, as representative of the freight-forwarding and allied interests, and others. Dr. Felix Deutsch, manager of the Berlin General Electric Company, who undertook an independent trip for the purpose of informing himself as to conditions and prospects, and Fritz Schotthofer, editor of the *Frankfurter Zeitung*, recently returned from Russia, are other men of affairs well qualified to report on the status quo of that country for the benefit of the business men of their own.

The most pretentious bit of trade promotion hitherto organized to push German interests in Russia is the Wirtschafts-stelle für Handel und Industrie in den Osten, established in Berlin late in 1921. One of the Directors of this establishment, Dr. K. G. Müller, in an interview quoted in the *London Times*, has described the organization and purposes of the concern as follows:

Our trust comprises banks and commercial

and industrial undertakings and includes representatives of technical and scientific institutions and of the principal organizations of the German professional union. It is divided into three groups: (1) the group concerned with the establishment of cultural intercourse with Russia, under the direction of Professor Otto Blum; (2) the Labor group, in which representatives of German labor organizations take part, that is, the representatives of 14,500,000 workmen; and (3) the banking and industrial group.

Specialists will be sent to various districts in Russia and chambers of commerce will be formed there which will enjoy full independence. The first task before the organization will be that of reestablishing railway and motor transport in Russia, as this is essential for the imports of necessities and is the first step in fighting the famine effectively and reestablishing normal conditions in the country.

It has seemed obvious to those conversant

with the situation that the first steps in the resumption of trade must concentrate on improving facilities for financing and for communications. The Soviet government has finally reconciled itself to capitalistic methods to the extent of establishing a State Bank which, according to the *Vossische Zeitung*, has arrived at an agreement with the Dresdner Bank, the Disconto Gesellschaft and the Bank für Handel und Industrie with regard to payments and the international exchange of gold and securities. It is, however, reported that the German Reichsbank has declined to enter into this arrangement.

The London *Telegraph* also has it that the Soviet authorities have in contemplation the establishment of a Foreign Trade Bank, to be closely associated with the Reichsbank and capitalized at 25,000,000 gold roubles. The United States commercial attaché in Berlin has reported a credit of 100,000,000 marks

extended by a group of German manufacturers to the Russian government to cover purchases to be made by the latter in Germany. This credit, which may possibly be increased by an additional 100,000,000, is to be financed through the German East-European Industrial Bank, and the proceeds must be employed solely in the purchase of goods from concerns entering into the consortium.

Such responsible continental dailies as *La Journée Industrielle*, *l'Echo de Paris*, *Le Soir* and *Die Frankfurter Zeitung* have also mentioned the granting of a 500,000,000 mark credit to the Central Union of Russian Co-operatives by a German combine known as the General Trading Company of Crefeld, for the purpose of providing the Russian peasant with German agricultural machinery in return for flax, grain and other native products.

Nation's Business Observatory

THE WALK-OUT of the railroad shopmen promises a real test of the power and efficiency of the Railroad Labor Board and the phrase, "a strike against the public," is one commonly found in the trade press comment.

The *Railway Age* declares that this is the first real test to which the labor provisions of the Transportation Act have been subjected and "the temporary labor provisions have broken down."

The *Age* goes on to put the task of settling the strike flatly up to the public, saying:

If the public prefers the method of settling railway labor controversies now established by law, and the results of which, except in a few isolated cases, public sentiment has compelled the railways to accept, then it plainly is the public through its various government officials and bodies, particularly the Railroad Labor Board, to take the leadership in fighting this strike to the finish. It may be assumed with practical certainty that the railways will neither make any overtures to the labor unions that have caused this strike, nor pay attention to any overtures from them. For their own reasons, and regardless of the future of the present system of government regulation of labor controversies, they cannot afford to concede a jot to the strikers that has not been conceded to them by the Labor Board's awards.

The real issue presented is whether the labor unions involved will be allowed to flout a law passed by Congress and defy and destroy a governmental agency established by the public through Congress to carry out that law. The public and the government must determine that issue. The strike is not one against what the railways have done, but against what the government has done. The American people must either stand fast and their government must adopt measures which will completely defeat this strike, or witness the certain destruction of the means for peacefully settling railway labor controversies which the public by its government has established.

The *Commercial and Financial Chronicle* seems to incline to the opinion that the Board has erred in the past in leaning too much on the side of the men. The *Chronicle* quotes Chairman Hooper of the Board as saying:

I am yet quite hopeful that your organizations will recover their equilibrium and discern that it is vastly better for them to go along with the Railway Labor Board patiently when it makes mistakes, but confident at all times that it profoundly desires to do justice to the men, the carriers, and the public, without fear, favor or affection.

To which the *Chronicle* adds this statement:

The men ought to accept this assurance, for the Board has surely given ample proof of sympathy with them in the past, so much so that it has not always been quite clear in recognizing a right Mr. Hooper now affirms, that of direct negotiation and agreement between a road and its men. If the Board is now flouted, that may be because it has treated the men too much like spoiled children who must be given their own way. Possibly a little defiance may stiffen it, and may not be ill-timed if it makes more profound and concrete the desire to do unbiased justice to the carriers, and through them, to the public.

Engineering News-Record joins heartily with Mr. Hooper in his view that the people of the United States are sick of having railroad transportation interrupted, and finds in the Railroad Labor Board itself "tangible evidence of that state of disgust." Then says the *Record*:

Since its establishment the authority of the Board has been invoked on several occasions, both by the managements and by the employees, to the incalculable advantage of all parties at interest, including the public. We have made progress; there must be no retreat. The present attack on the board is more than an industrial incident, more than a matter of wages, hours or working conditions. It is not a "strike" or a "walk-out" at all. It is a gesture of defiance toward an arm of the government lawfully exercising its authority in the public interest. No greater disservice to the members of the shop crafts unions could be performed by their leaders than to flout the American people with regard to this issue. They are too determined; they have come too far. We suggest that the "Little Six" hesitate long before rushing in where the "Big Four" feared to tread last October.

A call for more positive government action is made by *The Price Current-Grain Reporter*. That publication believes that the Labor Board has power to enforce its decrees, at least in this way:

The Labor Board, instead of imposing a specific punitive penalty and stopping there, may, therefore, doom the strikers to a withdrawal of any protective guaranties found in the act. In fact, the Labor Board, late on July 1, issued an order, in effect an ultimatum, that unless the shopmen return to work their places will be declared vacant; and to this Mr. Jewell, on behalf of his union, defiantly snaps his fingers: "As far as we are concerned the U. S. Railroad Labor Board no longer has jurisdic-

tion over our affairs; our men are not now working for any railroads."

In other words, the direct issue seems to be joined. The union men declare themselves done with the Board and the law. The Labor Board has, in response, declared their places vacant. Therefore, the shops have come automatically to an open-shop basis. Any man has a moral and legal right to take a shop job and any railroad has a right to employ whom it pleases as it has need. If men can feel assured that they will be protected in their right to work in railroad shops and on railway lands and properties despite their non-membership in any union, the strike will not last long.

The coal and the railroad strikes have led Dr. Charles W. Eliot, writing in the *New York Times*, to discuss the whole question of the settlement by an umpire of all industrial disputes. On this point he writes:

The composition of the Railroad Labor Board follows the method of some previous boards, created either for discussion or arbitration. Its members are divided into three groups—one representing labor, one capital and a third the public. An arbitration board for industrial disputes should represent the public only; but before that board both sides to the dispute should have opportunity to present each its case strongly but briefly; and the board should be required to make its decision within twenty-four hours after the closing of the hearing.

How should such an arbiter or umpire be appointed for industrial disputes in the United States? Obviously, by the chosen officials of Government; for disputes confined to a single State by the Governor, or by a Judge or bureau chief selected by him; for disputes of larger range by the President of the United States or a member of his Cabinet designated by him. The Cabinet member designated, if unable to serve as arbiter himself, should be authorized to name his substitute. In any case, an elected Government official would be responsible for the selection of the umpire.

When a successful method of arbitration has been established the strike should be prohibited by law in all industries which deal with necessities of life; and the construction of the term "necessaries of life" should be a broad and liberal one.

What About Prices for This Year's Crops?

THE Agriculture Department's crop report for June, with its estimate of large production, has upset some pessimists and has given the industries directly affected some



A Financial Background —of 110 Years

IN the early summer of 1812—110 years ago—the City Bank was granted its charter by the State of New York and began its business career at 52 Wall Street, across the street from its present head office.

It was with this background of more than a century of financial experience, and backed by the resources of what had developed into the largest financial institution in the Western Hemi-

sphere, that the National City Company was established.

Today, the Company, with its chain of American and Canadian offices and its staff of field representatives in daily touch with Wall Street through 10,000 miles of private wires, brings to the bankers, institutions and individual investors throughout the continent a quality of investment service that carries with it many definite advantages.

The National City Company

National City Bank Building, New York

BONDS

SHORT TERM NOTES

ACCEPTANCES



natural concern as to the future course of prices. This is the opinion of the *Modern Miller*:

The Government report casts odium on some of the sensational Kansas reports put out last February, and should be a warning for sensation mongers, as well as for the trade.

With a wheat crop in prospect of \$55,000,000 bushels on June 1, and the winter wheat harvest so close at hand, the prospect of any loss to impair the crop for millers is minimized. A wet harvest and rusts are remaining hazards.

With such a crop there is a natural turn to the bear side of the market. Every prospect is for good quality wheat, as the recent growing and maturing conditions have been splendid.

The Agriculture Department's fiasco of last season in reporting the cotton crop has not been forgotten and the *Textile World* is eager to know how much faith can be put in its figures this year:

The officials of the Department of Agriculture were very frank in explaining that last season's statistical fiasco was due to lack of sufficient funds to make possible the checking up of reports by their agents. They have not seen fit, however, to advise the trade whether they have sufficient funds for accurate compilation and checking of this season's reports, nor have they considered it necessary to explain the manner in which the revised figures for 1921 were arrived at.

They seem unable or unwilling to understand that, as a result of last season's underestimate of 20 per cent, no confidence can be felt in the accuracy and reliability of their acreage reports until they demonstrate to the satisfaction of the trade that the report to be made public next month will be as thorough and accurate as any published prior to the season of 1921. Unless the department can give this assurance it might as well save the money, time and labor involved in compiling acreage reports.

Meanwhile *The Commercial and Financial Chronicle* has made its customary survey of the cotton acreage as reported by its correspondents throughout the South. It estimates a planting for 1922 of 35,025,000 acres, and with that as a basis goes on to say:

We may sum up, therefore, by saying that all of the constituent elements exist, and to a degree never before enjoyed, for a crop of large dimensions, provided future weather conditions are favorable, the only other element of uncertainty being the harm to result from the pernicious activities of the boll weevil. And hot weather from now on would render the weevil largely innocuous.

With an average yield of only 124.5 lbs. per acre, as was the case in 1921, the prospect on the larger acreage of 1922 would be for a crop of only 8,700,000 bales. On the other hand, if the yield should run to 200 lbs. per acre, as in 1914 and 1915, by reason of abundance of moisture in the soil, the increased use of fertilizers and the deposit of sediment on adjoining lands by the overflow of the Mississippi and other rivers, the prospect would be of a crop of 14,000,000 bales.

A survey by the Department of Agriculture of the spring pig crop of the country has shown "a net increase of 14.5 per cent in the number of young pigs in the corn-belt states." With this to work on, *The Iowa Homestead* reasons:

The report points out that pork stocks, exclusive of lard, on hand May 1 this year were 33 per cent smaller than the five-year average and 26 per cent smaller than a year ago. Lard stocks on May 1 were 16 per cent smaller than the five-year average and 37 per cent smaller than at the corresponding time a year ago. Stocks of other meats are also below the average.

(Continued on page 52)

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ATLANTA DES MOINES SAN FRANCISCO

With the light stocks on hand and with a strong foreign demand for pork and lard, the increase in the number of hogs that will be raised this year is not likely to become a factor of very great importance on the market, although it undoubtedly will tend to bring about lower pork prices. This is expected by most farmers because pork and corn prices are out of balance. In fact, this is the real cause of the indicated increase in pork production for the coming year.

Wallace's Farmer feels that someone ought to undertake an "Eat More Pork" campaign. Here is its conclusion:

Forewarned is forearmed. The swine organizations, the National Meat Board, the farm organizations and the United States Department of Agriculture all have a wonderful opportunity in working together to increase pork consumption next winter in an effort to keep hog prices from going below cost of production.

Fear of Overproduction Disturbs Automotive Industry

TAKING *Automobile Topics* for our authority it may be said that the automobile industry is "doing well, I thank you," but a little in fear of a relapse. As the paper just referred to says:

"Those who are in close touch with the industry's affairs are still of the opinion that discretion is the better part of valor, and to some minds the perils of overproduction are very real."

Then the article goes on to say:

On the basis of averages an output of more than 2,000,000 passenger cars and trucks is indicated for 1922. This would be an increase of almost 30 per cent over last year. As there are involved much greater proportionate increases for a few concerns, however, and much smaller ones for the majority, it will be seen that the grand totals are an unsafe guide.

The long and short of it is that the habit of the automobile business in all its branches has been to run wide open until the going becomes too rough for comfort. With the enormous volumes of cars, tires and accessories that are made, not to mention materials and parts entering therewith, it follows that abrupt changes of manufacturing program are apt to be costly.

One of the most remarkable achievements for which credit has ever been claimed was that of fairly leaping from a point of practical stagnation at the beginning of the year to what amounted to capacity production, on the basis of the misleading totals, inside of the short space of five months.

What manufacturers whose dealers are now clamoring for cars may not care to reflect upon, however, is the fact that it is much easier to speed up than to slow down. Abrupt curtailments are disheartening, as well as costly.

When Coal Starts Moving Will There Be Cars Enough?

THE prospect of a "car shortage" is again disturbing the railroads. In fact, according to the *Railway Age*, only the lessening of coal traffic kept the danger at arm's length. What may happen, it thus summarizes:

It is but a matter of time until the coal strike will be settled, after which, owing to the depletion of coal stocks, the railroads undoubtedly will be called on to move at least 100,000 loads of coal weekly more than they are moving. Experience in the fall of 1919 and again in 1920 showed that with the facilities then available it was extremely difficult for them to handle more than 1,000,000 carloads of all freight weekly. Doubtless they can handle a larger amount of freight now than they could then, but the increase in their capacity has been relatively small.

It is evident, therefore, that a large increase



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of coal shipments and a continuance of the increase of other traffic would soon tax them to their capacity. But will other traffic continue to increase?

There are strong reasons for believing that it will. First, crop prospects, especially in the west, are unusually good. Second, building operations are growing throughout the country. Third, there are many signs that the stocks that most manufacturers and merchants have on hand are low, and that as the signs of returning prosperity become more numerous and convincing, the demand for the raw materials of manufacture, as well as for finished products, will grow rapidly.

All these conditions indicate that traffic other than coal will continue to increase. In other words, it would appear that the only thing needed to give the railways a business that will break all records is a settlement of the coal strike.

If this is the case, the only possible way to avoid car shortages and congestions within a few months are, first, to speed up the repairs of all equipment that is not in serviceable condition; secondly, to speed up the construction of new equipment and railway improvement work already ordered; and third, to begin an effective campaign to secure the most efficient utilization possible of all available railway facilities.

Judge Gary Believes That Our Business Ethics Are Improving

IT IS not often that *The Nation's Business* devotes much space to re-presenting addresses of any sort, but we are always glad to get from men, high in the business world, frank expressions on business ethics.

With that in mind, we believe that our readers will justify us in reprinting a part

of Judge Elbert H. Gary's recent address on ethics in business.

He began with a black picture of business as it was, and not so long ago, saying:

Talking, as a business man, to men and women connected with or interested in and, in many cases, controlling large enterprises, I assert there has been good reason for believing business is occasionally unconscionably administered; though at the same time I aver that it sometimes appears the man most vehement in adverse criticism is himself unworthy and unprincipled.

It is deemed appropriate to be somewhat specific, and as the first illustration, reference is made to business corporations, for they represent large accumulated capital and the strength for good or bad which proportionally goes with it. As compared with individual enterprise, corporations are no better and no worse. Attitudes and results depend upon the management by individuals. The degree of merit or moral turpitude only is involved.

Not many years ago, perhaps not much more than a score, the managers of some of the large private business corporations apparently believed that if their conduct was within the strict and technical rules of law it was immune from public or private attack; that if the provision of no public law was violated the corporation should be permitted to secure unlimited profit and might treat indifferently its customers, its employees, its competitors and even the general public; and not a few officials, in consonance with the same line of reasoning, were inclined to take advantage of inside, advance information to promote their own pecuniary interests to the prejudice of the shareholders generally. By such as these moral principles were ignored.

From that he turned to a brighter picture of present conditions:

And it may be asserted with absolute confidence that within the last twenty years or more there has been a decided change in the standards and conduct of business. To my personal knowledge many of the most intelligent managers of business affairs, some very large and others smaller, who have laid down the cares and difficulties of this life, before their final departure completely changed their opinions and reversed their methods concerning ethical questions.

This applies also to many who are still living. Hundreds upon hundreds, yes, thousands upon thousands, of business men, all over this country, who twenty years ago believed that the subject of ethics had little if any rightful place in business conduct, now assert and insist that it is essential and controlling.

A man of high intelligence and probity about ten years since, while testifying in court, alluding to a certain other man who occupied the highest position in a large business concern, said: "He introduced new rules into the business game." I think it properly may be claimed multitudes of leading business men during the last two decades have voluntarily devoted more and more time and energy in a conscientious desire to conduct their business in accordance with the rules of propriety and honesty.

Business throughout the United States is today transacted on a higher plane than ever before, though of course there is always need for further improvement. The world is surely growing better. If time permitted, many striking instances could be given.

It is interesting to note that Judge Gary gives to Theodore Roosevelt high credit for the betterment of modern business and tells this incident:

Although at first he seemed to be somewhat extreme as to certain questions, his views were modified during his incumbency. I will relate to you an actual occurrence during the early part of his administration. Pursuant to a common practice by him, he called into con-

Cast Iron Meter Cover
Weight $3\frac{1}{2}$ lbs.

Pressed Steel Meter Cover
Weight $2\frac{1}{4}$ lbs.

A BIG meter manufacturer is saving costs, shipping weight, breakage and labor by having his meter covers "pressed from steel instead."

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saving~**

An interesting series of folders describes other developments we have made for many different manufacturers. Write for a complete set.

When the covers were made of cast iron they had to be ground and drilled before mounting. There was an amazingly high breakage in assembling and en route and the hydrostatic test showed leakage at about 11 pounds, average.

The cost of the pressed steel cover is not only 10 percent less than the first cost of the casting, but the pressed steel cover also comes *all ready for assembling*—no machining, no drilling. There are two covers on a meter—and each pressed steel cover is $\frac{1}{4}$ pounds lighter than the cast one. Here was a saving of $1\frac{1}{2}$ pounds per meter—and a saving of 5c per meter on distant shipments. And the pressed steel cover stands a 25-pound pressure—more than double that of the average casting.

This example is typical of the savings we are constantly making for manufacturers in all lines of business by replacing cast parts with lighter, less expensive and usually stronger pressed steel parts. Our Engineering Department is prepared to study your requirements if you will send us a sample or blue print of any cast part you are now using. We are equipped to produce pressed steel parts weighing from a few ounces to 200 pounds.

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of better business

By ERNST & ERNST

H. M. Rubey

ference a business acquaintance and submitted to him for perusal the draft of a proposed message to Congress.

Among other things there was contained a statement, in substance, that it was well understood that the majority of business was dishonestly conducted. The visitor suggested this assertion was unjust to the business men and to the President himself, for it was not true; that coming from him it might seriously injure business conditions. The President insisted he was accurate in expression and that he could not change it. Thereupon the business man, reiterating his previous opinion, bade the President a respectful and friendly good-bye. The wording of the message was not then changed, but before it was transmitted the sentence objected to was eliminated.

Judge Gary gives this as perhaps the chief advantage to be gained from an upright conduct of industry:

But perhaps best of all, if the business man's conduct is sincerely believed by himself to be honest and proper, he will have the courage and strength to stand solid and immovable against any unworthy attack by the unscrupulous concerning his management. In times of dissensions, coming from any source, such a man can be courageous and patient while waiting for development of all the facts and the rendition of a fair and proper conclusion by all concerned.

A clear conscience is a strong weapon of defense in times of ruthless assault, which is liable to be made upon any individual or enterprise. Only those who have passed through an emergency of this kind can fully appreciate this fact. Lincoln could never have lived with serenity through the poisonous and malicious attacks upon his character and his administration except for the knowledge that he had not consciously trespassed upon the limits of moral principle.

Recent Federal Trade Decisions

THE RECENT Supreme Court decisions in the Beech-Nut and the Winsted Hosiery cases have defined the Federal Trade Commission's powers along certain lines and have led to filing complaints against other companies. Complaints of resale price maintenance following the Beech-Nut case have been made against a maker of toilet goods. It was charged that he threatened to refuse to sell to dealers who sold under the prices that he had fixed; that he delayed filling orders to such dealers and in one case refused outright to sell.

Another like case is against a maker of cigars who threatened to cut off dealers who cut prices. He sold nationally advertised brands and was trying to keep an 8 and a 15 cent resale price. He asked customers to report cases of price cutting and it is alleged his salesmen told dealers they couldn't buy his cigars if they cut prices. Other complaints of a similar nature are against makers of soap, package underwear and breakfast food.

The Winsted decision is recalled by a formal complaint against a Boston mill which labelled hosiery half wool and half cotton as "Australian ribbed merino hose, half wool and half cotton."

Manufacturers and distributors of abrasives are under fire, formal complaints having been issued against one concern for advertising that there were other compounds in the market which infringed the patent on their products but without identifying the alleged infringers. This, the complaint charges, tended, through fear of incurring liability for infringement, to induce persons receiving the above advertisements to purchase respondent's product, regardless of quality or price, rather than any competing product.

In a second case against a manufacturer of abrasive, the complaint was that the respondent had advertised that it had begun proceedings against a competitor before the Trade Commission for unfair competition, whereas all that he had done was to petition that the Commission take such action as it saw fit.

Complaints of false and misleading advertising have been made against a New York retailer, the point at issue being the propriety of putting out cotton plush coats as "Iceland Seal Plush," or "Seal Plush."

Charges of commercial bribery are involved in a complaint against a Philadelphia dealer in dyes and dyestuffs who it is charged has given cash commissions to textile mills operators and employees of customers in order to beat out a rival's commodities.

Among the recent cases in which orders to cease and desist have been issued, are those against six manufacturers and distributors of road machinery, which the Commission found have been giving gratuities to employees of state and local governments.

The question of proper labelling of pyroxylin plastics, which most of us know as celluloids, figures in a case decided in a territory over which the Commission has jurisdiction without the involvement of interstate commerce. Two drug-stores have been stopped from selling toilet articles which were labelled French ivory, Parisian ivory, etc. So, also, a dealer in paints and varnishes has been told to stop using the word "Government" on his goods unless such material has actually been obtained from this or some other government.

Another form of labelling which the Trade



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Combining these factors in the same truck is one of the Seven Steps Ahead by which GMC trucks insure better haulage

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And it does it with an economical engine, operating at a proper, governed speed.

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1 ton, \$1295; 2 ton, \$2375; 3½ ton, \$3600; 5 ton, \$3950; chassis only, at the factory; tax to be added

General Motors Trucks

What Executives Think of The NATION'S BUSINESS

(Test Number Two)

A fine editorial table of contents is evidence of publishing initiative. So is a fine subscription list. Neither, however, is proof conclusive that a magazine is registering strongly. The real test comes when someone on the outside goes around among successful business men and (without the knowledge of the publishers) asks what magazines are being read.

In the investigation shown below The NATION'S BUSINESS had no part. It was completed, in fact, before we knew anything about it.

We believe you will be interested in the fine position this magazine holds.

The Railroad Executive Test★

	Circulation	Vote
Literary Digest	1,426,000	98
Saturday Evening Post	2,111,834	93
National Geographic	734,000	85
American Magazine	1,750,489	56
The Nation's Business	75,000	47

(Fifth among 24 magazines)

*For reaching the Business Market, which
magazine should be ranked number one?*

THE NATION'S BUSINESS
WASHINGTON

Commission has ordered stopped is the selling of razors and other cutlery bearing the word "Sheffield" unless the blade actually was made in Sheffield. The company which was told to cease this practice must also stop selling razors of inferior quality on the containers of which were the words "Special Quality" and "Are Fully Warranted."

A long list of salt manufacturers and the associations of which they are a member has been ordered not to enter into any agreement to use any list of wholesalers of salt as a basis for the allowing of wholesale prices and terms. They are also ordered not to restrict the number of purchasers who shall be recognized as jobbers or wholesalers and not to refuse to sell to any person not listed as a jobber or wholesaler.

Log of Organized Business

JULIUS H. BARNES, president of the Chamber of Commerce of the United States, has called upon 1,400 business organizations within the Chamber to lend their cooperation in helping to prevent a "run-away" coal market, by appointing fuel committees to make a survey of the local coal situation.

In a letter urging such action, Mr. Barnes directs attention to the fact that "while Secretary Hoover's plan has thus far proved effective, and coal men are endeavoring to prevent runaway prices, the ultimate success of the plan depends upon the cooperation of the consumer himself. Appreciative of the consumer's responsibility in this matter, Mr. Hoover suggested to the public utilities, railroads and metallurgical industries that they each appoint a buyers' committee authorized to secure and distribute such coal as is needed by the operating plants in the respective industries represented. We are advised that active steps are being taken to make this plan effective.

While these industries are the three largest group users of coal, there are many other industrial and individual consumers whose needs must receive consideration. Owing to the varied character and widely scattered location of these consumers, their interests can best be represented by their local chambers of commerce and trade associations with whom they are associated or with whom they can make contact.

In view of a possibility of the strike continuing until depletion of stocks becomes serious, I believe that, in the general public interest, this situation should be anticipated as much as possible. In the absence of other machinery and in view of a possible emergency, I suggest that you appoint a Fuel Committee to survey the conditions relative to stocks on hand and needs in your community or industry; and further, that this information be compiled so that in event the situation does become serious, it can be used in any plan involving a distribution of available coal.

Business Men to Tour

SEVERAL hundred representative American business men will attend the second general meeting of the International Chamber of Commerce to be held in Rome during the week of March 19, 1923, according to an announcement just made by the American section of the Chamber. The meeting will bring together leading business men from all over the world for a discussion of world trade problems. Sixteen countries affiliated with the International Chamber will send delegates, while several other countries which have made application for admission to mem-



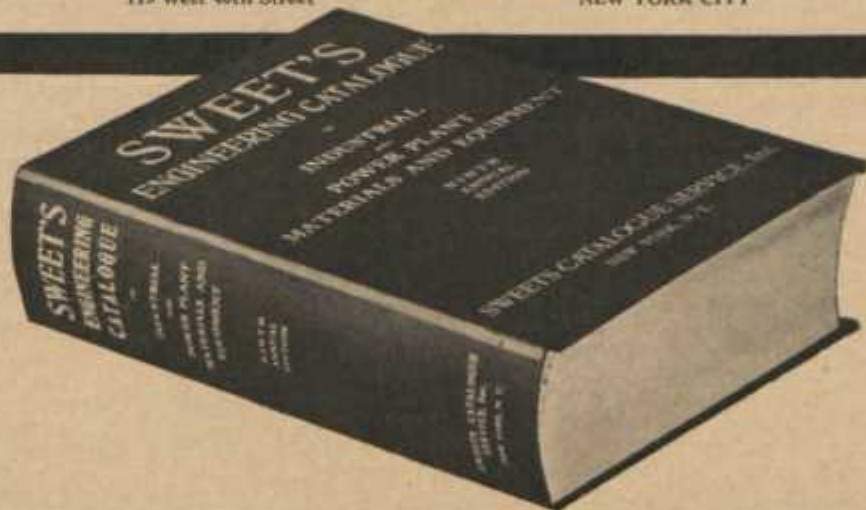
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bership in the Chamber will be represented. An extensive tour is being arranged for the American delegates in connection with their attendance at the Rome meeting. A large transatlantic liner, engaged for the delegates, will sail from New York on February 10, returning May 5, a total of eighty-four days. The party will make a tour of the Mediterranean, the Near East and Western Europe. Optional trips will be offered for the benefit of delegates who may not want to devote so much time to the tour.

The tentative itinerary selected is: New York, Funchal, Madeira, Gibraltar, Algiers, Monaco, Genoa, Naples, Athens, Constantinople, Alexandria, Cairo, Haifa; returning to Naples and thence to Rome, where the party will spend ten days; following the meeting of the International Chamber the party will proceed to make a tour of leading industrial centers of Italy, France, Switzerland, Belgium and Germany. The continental cities included in the itinerary are: Florence, Pisa, Bologna, Venice, Milan, Como, Bellagio, Lugano, Lucerne, Zurich, Basle, Frankfurt, Dusseldorf, Brussels, Louvain, Antwerp, Malines, Paris, London, returning to New York by way of Southampton.

Plans are being made to have the party entertained at the various places visited.

A. C. Bedford, chairman of the Board of the Standard Oil Company of New Jersey, and vice-president of the International Chamber of Commerce for the United States, is directing the arrangements for the trip.

In the opinion of Mr. Bedford the tour will afford the business man an excellent opportunity to acquire first-hand knowledge of economic conditions abroad.

Opposing the Fitzgerald Bill

ON THE grounds that it provides for a form of compulsory monopolistic insurance, the Chamber of Commerce of the United States has voiced its opposition to the Fitzgerald bill, which would set up a plan for workmen's compensation in the District of Columbia.

In a letter to members of Congress, Elliot H. Goodwin, vice-president of the National Chamber, let it be known that in opposing the monopolistic provisions of the Fitzgerald bill, it is not to be understood that the National Chamber is in any way attempting to express opposition to the principle of workmen's compensation insurance. As pointed out by Mr. Goodwin, the reasons for the Chamber's objection to the Fitzgerald bill are:

1. This bill provides for compulsory monopolistic insurance leaving the employer no option on the selection of an insurance carrier. He must take government insurance.

2. The insurance commission under this bill is not only empowered to determine the rate and amount of premium, but is also charged with the collection of premiums and the determination of the amount and the payment of compensation, with no check whatsoever upon its decisions and actions.

3. The insurance commission under this bill possesses full authority to review its own decisions, with right of appeal to the courts only on matters of law.

In short, the commission created under this bill combines normal administrative functions with the business of insurance, and has to a considerable degree the power of judicial review. Such concentration of authority we believe is contrary to inherent principles of good business and of good government.

Now It's Cigars

THE CONCEIT of American smokers received a shock recently when the Fabricated Production Department of the National

Does Your product lie buried here?



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The method, the technique, is not difficult, nor is the need for it unusual.

Both are briefly discussed in the book, **PROMOTING SALES**. Every executive in your organization who wants more and bigger sales will find it full of practical interest. It will be sent to them at your request.

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Chamber of Commerce found that the supposed ability to select cigars by such names as Brevas, Conchas, Epicures, Perfectos, Panatellas, Londres, Cabinets, Bouquets, etc., was today largely a fallacy.

In the study of waste in industry through duplication of sizes and kinds, Fabricated Production Department has found that competition in the cigar industry has caused the manufacturers largely to disregard the sizes and shapes by which the smoker formerly identified the cigar of his choice. The question of price has had much to do with this change. The jobber, distributor, and retailer have all been responsible for it. A slight change in the length or shape of a cigar may materially affect its cost. We will not say that the smoker has suffered, for at times sizes have been increased and at others diminished, but out of it all has come in many instances so many varieties of cigars, molds, boxes, labels, packing cases, etc., that the overhead expense of making and handling has been materially increased.

One manufacturer of over two hundred sizes says that 80 per cent of this variety is confined to ten sizes. Some concerns, generally the larger producers, have recognized this duplication and waste and have reduced their varieties to a minimum in one instance of three, and of this number one size constitutes 98 per cent of their output.

Cigarettes were formerly made in a number of sizes, but today the forms are largely confined to oval and round shapes, of standard length and thickness. Cigarette packages are also largely confined to two types.

Junior Chamber of Commerce

THE Third Annual Conference of the U. S. Junior Chamber of Commerce at Indianapolis, June 15 to 17, gave evidence that this young organization has taken root. There were those who prophesied that its first meeting would bubble with enthusiasm, its second be one of doubt, and its third a funeral. They were false prophets. The third meeting was more largely attended than the second, and not only was it charged with the noisy enthusiasm of youth betokening both the youth of the delegates and their undimmed optimism, but its discussions showed that these delegates have been doing some clear and definite thinking.

Some things seem to be fairly well settled: the active age of junior chamber members is between twenty and thirty, though the legal age may begin at eighteen and extend to thirty-five; one important purpose, perhaps the primary purpose, of the junior chamber, is to prepare its members for effective membership in the senior chamber; the junior chamber, while autonomous and self-supporting, should be closely affiliated with the senior chamber.

But while these things seem to be fairly well settled—and settling them marks considerable progress as anyone who looks back two years will realize—they are, after all, only a foundation. The completed structure is still to be reared. And on that work several more years may profitably be spent. The significant fact is that the junior chamber members have busied themselves first with the foundation instead of devoting all their thought to the superstructure.

The program at Indianapolis provided for sociability—there was a dance, a banquet and an automobile ride; it provided for inspiration—there were rousing talks by Clarence H. Howard, godfather of the junior chamber idea; George M. Verity, Arthur Folsom, and Col. Alvin M. Owsley of the American Legion. One or two of these talks started



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Plan now to stop next winter's waste—learn how the Skinner Bros. (Baetz Patent) Heating System will, once and for all, do away with trouble and loss of time so frequent with old-time heating methods.

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Economics	Commercial Activities	Traffic
Distribution	Industrial Activities	Foreign Trade
Development of American Business	Civic Activities	City Planning (Housing and Zoning)
		Service to Industries
		Committee Operation

The second session will be held at Northwestern University, Evanston, Illinois, August 21 to September 2, 1922.

The Chamber of Commerce of the United States officially recommends that every constituent member urge its secretary to attend the school.

Attractive dormitory accommodations on the campus, on the shore of Lake Michigan. Also boating, tennis, bathing, golf.

Tuition, \$30.00

For information address Chairman, Board of Managers, National School for Commercial Secretaries, 10 South La Salle Street, Chicago, Illinois.

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of Commerce.

off each session. Then the delegates got down to brass tacks and discussed the definite purposes of their organizations, their methods of work, how to finance. It was in these discussions that the results of two years' experience and thinking became manifest.

At the last session the following officers and directors were elected: president, Raymond T. Wilber, Springfield, Mass.; first vice-president, E. Fred Johnson, of Tulsa, Okla.; second vice-president, H. B. Mortimer, of Milwaukee, Wis.; third vice-president, A. Mungenast, St. Louis, Mo.; and fourth vice-president, E. H. Ransom, New Orleans, La. Directors elected for two years were: George O. Wilson, Dallas, Texas; E. Edward Dahlin, Chicago, Illinois; H. O. Hodson, East St. Louis, Illinois; T. E. Havens, Dallas, Texas; C. A. Willard, Bridgeport, Conn.

Chambers Aid Veterans

CHAMBERS of commerce in more than 200 cities and towns throughout the country are cooperating with the Veterans Bureau in an effort to find jobs for rehabilitated ex-service men and other veterans in need of work. This cooperation was brought about through the solicitation of the National Chamber.

The Veterans Bureau has notified each of its offices in the districts where the work is to be carried on to establish contact at once with the local chambers of commerce and to place the problem of employment for each district's rehabilitated men before that body.

The National Chamber, meanwhile, has placed before the local chambers concerned the answers to a questionnaire submitted to the Veterans Bureau in which such questions were asked regarding placement for rehabilitated veterans as would naturally be asked by employers considering the employment of these men.

There are in training under the direction of the Veterans Bureau about 110,000 men. These men are being rehabilitated at the rate of about 1,250 a month. Through the cooperation of business organizations and other agencies, the Bureau hopes to inaugurate a plan whereby veterans, as fast as their rehabilitation work is completed, will be absorbed into commerce and industry.

Paris School of Commerce

A COMMERCIAL school for foreign students has been organized by the Chamber of Commerce of Paris. The following are admitted to the school:

1. Without examination: Young foreigners of 17 years or less, providing they have high school diploma, or certain other diplomas which are recognized to be equivalent.
2. After examination: Young foreigners of the same age who have not the necessary diplomas.

The course lasts for a school year, divided into two semesters, from November 4 to March 1; and from April 1 to July 15. Curriculum includes industrial chemistry, applied science, business practice, accounting, commercial geography, industrial management, commercial and international law, and training in French and at least one other foreign language. The address of the administrative section of the school is: Académie Commerciale pour les Étudiants Étrangers 43 rue de Tocqueville, Paris (17^e), France.

Dyes a Problem Here and Abroad

BRITISH DYE STUFFS is the government-supported concern created at the end of the war to build up the manufacture in England of the dyes required by British industry. It has had to contend with im-

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that will probably outwear any building; it is slip-proof and uniform throughout and

makes an ideal stair tread for industrial and public buildings and an excellent floor for store entrances and ramps where foot traffic is heavy. It is ideal for railway and subway stations.

We are now furnishing an artistic tile known as Alundum Safety Aggregate Tile which is also slip-proof wet or dry and which is applicable and desirable for entrances, corridors, vestibules of hotels, office buildings, school houses and other public buildings. The surface is machined perfectly straight and level. You have an unlimited range of color combinations to choose from.

Alundum Safety Tile products are not only economical because of their non-wearing properties, but they reduce the compensation risk by reducing the slipping hazard.

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Automatic Telephone, Australasia, Ltd., 207 Macquarie Street, Sydney, Australia.

ports from Germany and with depression in the industries it serves. In the year ended with last October it now reports a net loss approximating \$5,000,000. Under the British excess-profits law this loss entitles the company to recover back part of the taxes it earlier paid; in the case of this company the recovery of taxes is very substantial, standing at something like \$2,000,000.

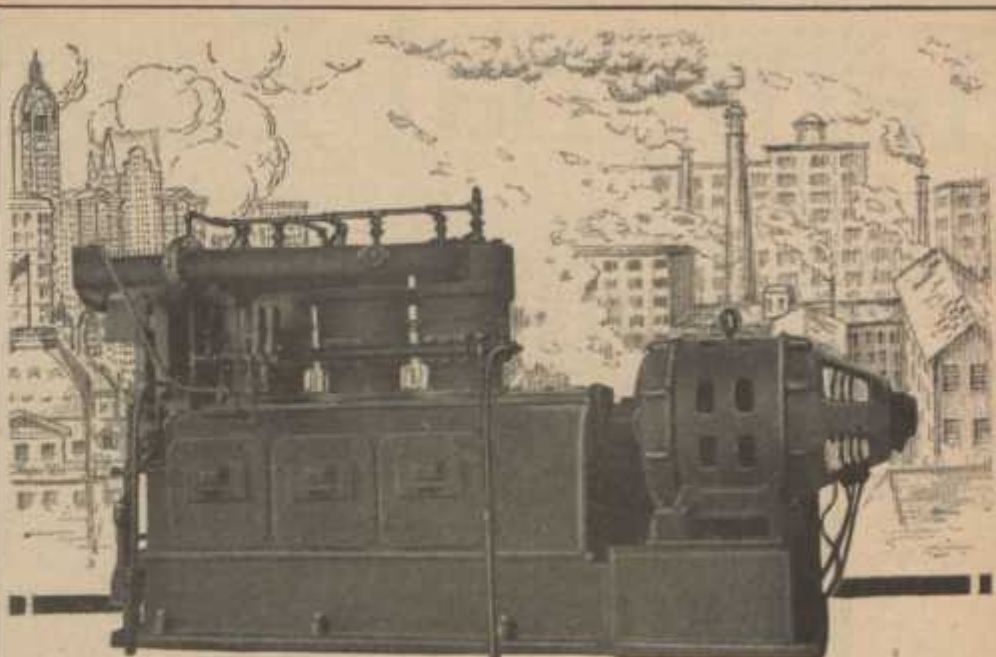
The Swiss manufacturers of coal-tar dyes, too, are issuing reports upon a bad year, in which they suffered from depression in the business of their customers, the high exchange value of Swiss money, and from German price cutting. One Swiss company had its profits reduced by two-thirds and another had a loss of \$500,000, which was almost two-thirds of its share capital.

Dyestuffs promise to continue to have a share of public attention. In England there has been some excitement over the discovery that the German dye companies have been in negotiation with the British company for some sort of an arrangement. The Germans seem to have been making proposals to the Italians, too. It is understood that the Germans have an agreement with the principal French company, under which the Germans undertake to make known to the French company all their secret processes, etc., and the French company in turn makes two promises—to confine its sales to France and its colonies and to turn over to the Germans half its net profits.

Dyestuffs made from coal tar are pretty sure of some public attention in the United States, too. They may give rise to more debate in connection with the tariff bill. The House of Representatives rejected a limited embargo on imports over a period of three years. The Senate Finance Committee declared that no rates in American tariff history could adequately protect the American industry and, in addition to new provisions intended to prevent unfair competition through imports, recommended continuation for one year of the limited embargo of the emergency tariff of 1921.

It seems pretty certain also that there will be much discussion of coal-tar dyes revolving around the demands made by the Attorney General upon the Chemical Foundation. The prospectus of the foundation indicates it was organized at the Alien Property Custodian's suggestion by the members of the American Dyes Institute, the American Manufacturing Chemists' Association, and others interested in chemical industries, to buy from the Alien Property Custodian and hold for the chemical industries and the country at large the German-owned United States chemical and allied patents taken over under the Trading-with-the-Enemy Act. The stock was placed in the hands of trustees, and the trustees were the members of an advisory committee that had acted with the Alien Property Custodian. Non-exclusive licenses were to be issued to American concerns.

The patents taken over by the foundation dealt with metallurgy, fertilizers, fixation of nitrogen, etc., as well as coal-tar dyes, and were said to number 4,500, constituting almost all the German-owned dye and chemical patents except those of the Bayer Company, which were sold by the Alien Property Custodian as a part of the assets of that concern. Trade marks also went to the Foundation, and copyrights covering "some of the indispensable literature of science." Free net earnings, after retirement of the preferred stock, were to be used for "the development and advancement of chemistry and allied sciences in the useful arts and manufactures in the United States."



ARE YOU OVER-BUYING YOUR REQUIREMENTS?

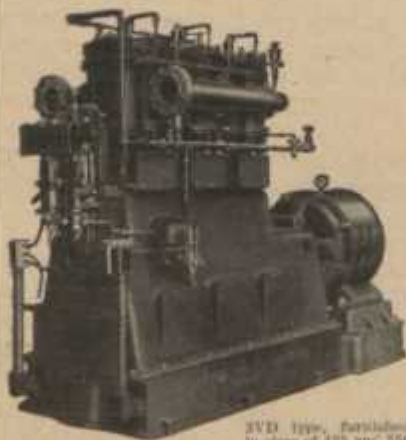
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The excellent general design and construction of these compressors further commend them to your use.

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Westinghouse-National Air Compressors are furnished in all sizes from 11 to 554 cu. ft. piston displacement; stationary and portable types; A.C. or D.C. motor. Especially adapted for factories, foundries, garages, office buildings, railway shops and yards, printing plants, etc. Literature on request.



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The average man is dismayed when he learns what a great percentage of transportation costs is incurred in terminal handling. It may cost less to ship a carload of potash from Brooklyn to Cleveland, for instance, than it does to get it on board the car from the steamer.

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Briefly, this science supplants laborious hand operations with machine methods, and, as might be expected, it makes a practical and expanding use of motors and electrical control apparatus for its modernizing and cost-reducing developments.

Westinghouse aids in this development through

special engineering and commercial departments. The tremendous apparatus that dumps a carload of ore by picking it up bodily and turning it upside down presents electrical problems as well as those of a purely mechanical nature.

And the little portable winch that moves about the docks and operates the cable which lifts eight bags of sugar at one time from the hold of a great ship—this also presents an electrical problem of real importance. Only motors of special design will permit the cable speeds required.

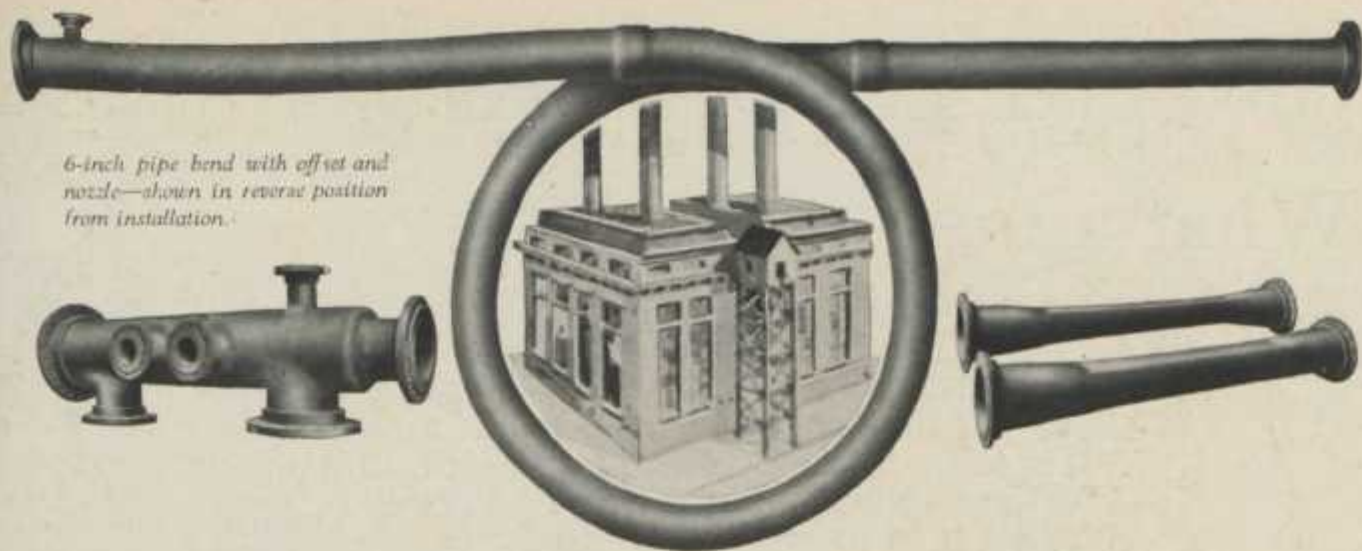
So the cutting of terminal handling costs is an engineering problem—electrical as well as mechanical. And engineering is the foundation upon which Westinghouse has builded.

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Wheelbase lengths	120 ins.	156 ins.
Maximum overall capacity (chassis, body and load)	22,000 lbs.	22,000 lbs.
Unladen chassis weights only	7200 lbs.	7400 lbs.
Prices (chassis)	\$3950	\$4100

4 cylinder 2 to 3 ton Autocars

Wheelbase lengths	114 ins.	138 ins.
Maximum overall capacity (chassis, body and load)	15,000 lbs.	15,000 lbs.
Unladen chassis weights only	5200 lbs.	5350 lbs.
Prices (chassis)	\$2950	\$3075

2 cylinder 1½-2 ton Autocars

Wheelbase lengths	97 ins.	120 ins.
Maximum overall capacity (chassis, body and load)	11,000 lbs.	11,000 lbs.
Unladen chassis weights only	3600 lbs.	3700 lbs.
Prices (chassis)	\$1950	\$2050

2 cylinder 1½-2 ton Autocars (Rebuilt)

Wheelbase lengths	97 ins.	120 ins.
Maximum overall capacity (chassis, body and load)	11,000 lbs.	11,000 lbs.
Unladen chassis weights only	3600 lbs.	3700 lbs.
Prices (chassis)	\$1650	\$1750

Prices F. O. B. Ardmore, Pa.

2 cylinder 1½-2 ton Autocars (Reconditioned)

Wheelbase lengths	97 ins.	120 ins.
Maximum overall capacity (chassis, body and load)	11,000 lbs.	11,000 lbs.
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